INFORMATION COLLECTION REQUEST RENEWAL

FOR THE ACID RAIN PROGRAM

UNDER THE CLEAN AIR ACT AMENDMENTS TITLE IV

January 31, 2002

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(JANUARY 1999 THROUGH JANUARY 2002)

SUPPORTING STATEMENT

1. IDENTIFICATION OF THE INFORMATION COLLECTION

1.1 Background

Title IV of the Clean Air Act Amendments of 1990 (the acid rain title) establishes goals to reduce annual emissions of sulfur dioxide (SO2) and nitrogen oxides (NO_x) and to place a national cap on sulfur dioxide emissions beginning in the year 2000. Emissions reductions are mandated in two phases:

- Beginning in 1995 (Phase I), part of the SO2 and NO_x reductions are to be achieved through emissions reduction requirements at 110 of the largest, highest-emitting power plants;

- Beginning in the year 2000 (Phase II), the SO2 and NO_x reduction goals are to be reached through more stringent requirements at virtually all fossil fuel power plants.

To help meet emissions reduction goals, Title IV provides for a program that allocates emissions allowances to affected utility units based on a national target for SO2 reductions, and allows market forces to achieve the targeted reductions in the most cost-effective manner. Under this program, each affected unit receives its allocation of allowances every year. An affected unit must hold one allowance for each ton of SO2 it emits. Affected utilities and individuals may buy and sell allowances, or save them for future use or sale.

The ability to buy and sell (or transfer) allowances provides substantial economic benefits, by encouraging the greatest emissions reductions where costs of reductions are lowest. This concept of allowance transfers cannot be implemented, however, unless regulations governing emissions monitoring and permitting of acid rain sources are in place as well. To ensure compliance with the emissions reduction requirements and to provide the national consistency needed to foster the allowance market, sections 408 and 412 of Title IV require the designated representative of the owners and operators of each affected acid rain source to obtain an operating permit for the affected source and to certify that an approved emissions monitoring system has been installed and is properly operated at each affected unit's source of emissions.

Emissions monitoring and reporting is the foundation upon which the allowance trading system is based. Without accurate monitoring and reporting of emissions, the integrity of the allowance system would be undermined, and there would be no assurance that emissions had been reduced.

Acid rain permits will allow sources the flexibility to comply with the emissions reduction requirements of Title IV by employing one or more compliance options for SO2. The procedures specified in the acid rain permits regulations, including the use of standardized forms, ensure that the intended flexibility and accountability is preserved as the Acid Rain Program is implemented nationwide by different permitting authorities.

Participation in the annual auction is voluntary. Information will be collected by EPA's Acid Rain Division, or its designated agent, and will be used to conduct and facilitate administration of the auction. Auction participants must submit a bid form and payment method.

Section 410 of Title IV provides that sources of SO2 emissions that are not regulated, i.e., small utility units and industrial boilers, may elect to "opt in" to the allowance allocation and trading program. To opt in, the source owner or operator must submit an opt-in permit application to EPA. Sources that opt in (1) will become affected sources, (2) will receive an annual allocation of allowances, and (3) may sell any allowances they do not use for their own emissions. Because opting in is voluntary, only those unaffected sources that would profit by opting in are expected to do so.

Although the principal purpose of Title IV of the Clean Air Act is to reduce acid rain by requiring reductions in emissions of SO2 and NO_x, it is also the purpose of this title to encourage energy conservation and pollution prevention as a long-range strategy for reducing air pollution and other adverse effects of energy production and use. As an incentive for electric utilities to (1) implement energy conservation measures and (2) use renewable energy, section 404(f) of Title IV establishes provisions for qualifying electric utilities to receive allowances from the Conservation and Renewable Energy Reserve for SO2 emissions avoided through either of these two options.

The NO_x emission reductions will be achieved through maximum allowable emission rates for coal-fired utility boilers. The allowable rate for a given boiler depends on the type of boiler. The NO_x regulations for coal-fired boilers are applied to two groups of boilers, as specified by the Clean Air Act Amendments of 1990 (CAAA). Boilers in each group become affected at different times, as described below. Group 1 boilers are (1) dry bottom wall-fired boilers that do not apply cell burner technology or (2) tangentially fired boilers. Group 2 boilers are all other types of utility boilers, including (1) wet bottom wall-fired boilers, (2) cyclones, and (3) boilers applying cell burner technology. In Phase I, which began January 1, 1996 for NO_x, NO_x emission limitations apply only to Group 1 boilers that are subject to the Phase I SO_2 limitations. In Phase II, beginning January 1, 2000, NO_x emission limitations become effective for all boilers (Group 1 and Group 2).

1.2 Information to Be Collected

EPA has developed regulations to implement the emissions reduction provisions of Title IV of the Clean Air Act Amendments that cover

- Allowance tracking and transfers (section 403);
- Energy conservation and renewable energy incentives (section 404);
- Permits (section 408);
- Emissions monitoring (section 412);
- Auctions (section 416);
- Opt-in (section 410 a-g);
- Annual Compliance Certification (sections 403 & 408);
- Small diesel (section 410 h); and
- NO_x permitting.

This Information Collection Request (ICR) addresses the paperwork burden related to (1) transferring and tracking allowances; (2) obtaining and distributing allowances from the Conservation and Renewable Energy Reserve; (3) obtaining and issuing permits and compliance plans (e.g., submitting permit applications); (4) submitting and certifying emissions monitoring plans; (5) the allocation of allowances to small diesel refineries; (6) the opt-in program; (7) annual year-end compliance certification reporting; (8) NO_x permitting, and, (9) all labor associated with recording and reporting emissions data under Title IV of the Clean Air Act Amendments of 1990. Burden estimates provided in this ICR are for the period from January 31, 1999 to January 31, 2002. This ICR covers the last year of Phase I, 1999. The burden and cost of continuous emission monitoring is reflected in this ICR and includes all Phase I and Phase II units.

Allowance Transfers

All participants in the allowance transfer system will be required to complete and submit an allowance transfer form for each allowance transfer. This can be done either electronically or using a paper form. Participants in the transfer system that are not affected sources under Title IV will also be required to file a one time account information application to establish an account in the Allowance Tracking System (ATS).

Conservation and Renewable Energy Reserve

To receive allowances for emissions avoided through the use of energy conservation measures or renewable energy, utilities must submit an application to receive allowances that (1) designates and verifies the measures used to avoid emissions, (2) calculates the tons of emissions avoided, and (3) demonstrates qualification to receive allowances from the Conservation and Renewable Energy Reserve.

Permits

Permit applicants are required to submit an acid rain permit application for each affected source. The permit application must include, for each unit at the source, (1) general information on the

unit, (2) a complete compliance plan for each unit, and (3) the Acid Rain Program standard requirements.

Emissions Monitoring

To meet the emissions monitoring record-keeping and reporting requirements, affected units are required to (1) submit a monitoring plan and certification of monitors, (2) record hourly pollutant and flow monitor data, and (3) submit electronic quarterly reports of their emissions data to EPA. Operators of new electric generating units of 25 megawatts (MW) capacity or less may receive a CEMS exception if they certify their use of very-low-sulfur fuel.

Submissions Purposes and Procedures

Allowance transfer notifications may be submitted to EPA electronically or on paper. Emissions reports must be submitted electronically. All Phase II permit applications must be submitted on paper.

The allowance transfer submittal is used to record allowance transfers for compliance purposes and to track the disposition of all allowances in the system. Applications for allowances from the Energy Conservation and Renewable Energy Reserve provide information on the emissions avoided through the use of energy conservation measures and renewable energy, and are used to allocate allowances from the reserve.

Acid rain permit applications are used to issue operating permits to affected sources under the Acid Rain Program. Because the permit applications and permits are public documents, they provide an opportunity for the affected public to examine activities undertaken by affected sources. The designated representative certification, which designates a responsible official through whom the owners and operators of each affected source and each affected unit can trade allowances and obtain and maintain permits, serves to remove EPA from involvement in disputes between owners and operators of affected units.

Monitoring plan submissions are used by EPA to verify that the emissions monitoring system at a unit meets the requirements set forth in Title IV of the Act and in the implementing regulations. Results of continuous emission monitoring system performance tests allow EPA to certify that monitors perform well enough to produce accurate emissions data. Emissions data is used to monitor compliance with emissions requirements under Title IV and to provide a basis for analyzing progress in meeting air quality objectives. Allowance tracking information, emissions data, and the contents of permit applications all provide information for the allowance market and the general public.

Opt-in Program

This ICR also addresses the paperwork burden for small utility units and industrial boilers that opt-in. The Agency has identified five burden areas associated with a source's opting in to the

allowance allocation and trading program. These areas are (1) completing the permit application, (2) recording and reporting emissions data, (3) compliance reporting, and (4) withdrawing from the program. Estimates for the opt-in program detail the burden for both operating and shut-down opt-ins.

The Opt-in program requires respondents to submit an acid rain permit application. For all respondents, the application must provide (1) general information about the source, (2) specific data about the source's fuel consumption and operating data for 1985, 1986, 1987, and (3) data on the source's actual and allowable emission rates for 1985, as well as the current allowable emission rate. The permit application and proposed thermal energy compliance plan for sources that opt in and shut down must include information describing the source's plans for the replacement of thermal energy.

To meet emissions monitoring, record-keeping and reporting requirements, sources that opt-in and continue operating will be required to (1) submit a monitoring plan and certification of monitors, (2) record hourly pollutant and flow monitor data, and (3) submit quarterly reports of their emissions data to EPA. Sources that opt in and shut down will not have to perform tasks associated with emissions monitoring, reporting, and recording.

Meanwhile, to meet requirements for reporting compliance, respondents must submit an annual compliance certification report in which they (1) report their utilization information, (2) report any replacement of thermal energy, and (3) report on allowances transferred as a result of the replacement of thermal energy. Finally, all sources that have opted in and later decide to withdraw will be required to complete withdrawl notification.

Annual Compliance Certification

Compliance with the SO_2 emission limitations is determined annually. To meet the annual compliance requirements for Phase I, the designated representative for each Phase I affected unit must submit (1) an Annual Compliance Certification Report stating whether the unit was in compliance with all Acid Rain Program requirements for the calendar year, and (2) a Utilization Accounting form that calculates the annual utilization and other operating data.

In addition, if a source is underutilized or claims sulfur-free generation, the designated representative must submit a Dispatch System Data Report that states dispatch system utilization, sales, and emissions rate information.

The designated representative also has the option of submitting an allowance deduction form to identify specific serial numbered allowances to be deducted for annual compliance.

In Phase II, the designated representative for each affected unit must submit an Annual Compliance Certification Report stating whether the unit was in compliance with all Acid Rain Program requirements for the calendar year, and has the option of submitting an allowance deduction form to identify specific serial numbered allowances to be deducted for annual compliance.

NO_x Permitting

An owner or operator of a Phase II, Group 1 unit may meet the requirements of the NO_x regulations through one of three compliance options:

- meeting the standard limits
- obtaining approval for an emissions averaging plan
- obtaining an alternative emissions limitation (AEL)

Two or more units may average their NO_x emissions, as provided for by Title IV. In an approved NO_x emissions averaging group, the NO_x emission rates of some of the individual units may exceed their respective emission limitations, as long as the Btu-weighted average NO_x emission rate for the entire group is less than or equal to the weighted average of the emission limitations for the individual units. The ability to average emissions is expected to allow utilities to meet the NO_x requirements at lower cost.

Title IV also provides that an owner or operator of an affected unit may petition EPA for a higher, alternative emission limitation (AEL) if the unit cannot meet the emission limitations even after a retrofit with low NO_x burner technology . The opportunity to obtain AELs will allow for adjustment of emission limitations for specific units where the technologies on which the limitations were based do not provide the expected level of emission reductions in practice.

Meeting the standard limit is the least burdensome administratively for sources. All owners and operators of affected units are eligible to comply with the NO_x regulations using this option. The submission of an application for emissions averaging, or an AEL, or early election is optional and voluntary.

For units that comply by meeting the standard limits or that choose to early elect, applicants were required only to identify the unit.

Applicants seeking approval for emissions averaging are required to identify the units in the group, assign alternative contemporaneous emissions limitations to each unit, and demonstrate that the Btu-weighted average of these alternative limits is less than or equal to the Btu-weighted average of the limits that would apply in the absence of averaging.

All applicants for AELs are required to demonstrate that they are eligible for an AEL, by providing (1) evidence that the appropriate emissions control equipment has been installed, and (2) monitoring data showing that the unit cannot meet the applicable emission rate.

The total respondent reporting burden for this collection of information is estimated to be 1,330,327 hours in 1999, 1,220,183 hours in 2000, and 1,220,156 hours in 2001. The total burden to

EPA is estimated to be 17,477 hours in 1999, 17,174 hours in 2000, and 19,986 hours in 2001.

2. NEED FOR AND USE OF THE COLLECTION

This section describes EPA's need for the information collections described above and the legal authority for conducting collections. The users of collected information are also described.

2.1 Need/Authority for the Collection

Section 403(b) of Title IV of the Clean Air Act Amendments of 1990 provides for the transfer of allowances among designated representatives of owners and operators of affected sources and any person who holds allowances. Transfers of allowances will not be deemed effective until written certification of the transfer, signed by a responsible official of each party to the transfer, is received and recorded by EPA. Section 403(d) of Title IV requires that EPA develop a system for issuing, recording, and tracking allowances (intended to help ensure an orderly and competitive allowance system).

Conservation and Renewable Energy Reserve

Section 404(f) of Title IV establishes provisions for qualifying electric utilities to receive allowances from the Conservation and Renewable Energy Reserve for SO2 emissions avoided through the use of qualifying energy conservation measures or renewable energy. The allowances will be allocated on a first come, first served basis during the period from January 1, 1992 to December 31, 2000.

Permits

Section 408 of Title IV and Title V of the Clean Air Act Amendments of 1990 require that the designated representative of the owners and operators of each affected source under the Acid Rain Program obtain a permit. Section 408 also specifies that EPA must issue acid rain permits for Phase I of the Acid Rain Program and that permits must have a term of five years. In Phase II, the permitting authority, usually a State or local agency, will issue the permits that will also have a term of five years.

Emissions Monitoring

Section 412(a) of Title IV requires the use of CEM systems (or alternative monitoring systems demonstrated to be equivalent) at each affected unit's source of emissions. Section 504(a) of Title V requires that the results of any required monitoring be submitted to the permitting authority no less often than every six months. The information collection is consistent with satisfying these minimum statutory requirements. Note that reports are submitted quarterly rather than semiannually. The Acid Rain Advisory Committee recommended that EPA collect emissions data on a quarterly basis and this schedule has proven to allow for effective implementation of the program.

Auctions

Although participation in the annual auction is voluntary, the information to be collected is necessary to operate and administer the program and is required specifically under Title IV, Section 416(d)(2).

Small Diesel Refineries

Section 410(h) of the Act creates a program for allocation of allowances to small diesel refineries for desulfurization of diesel fuel. Each year of the program (1993-1999), eligible refiners will submit information regarding the amount of diesel fuel desulfurized. This program is voluntary, the benefit of allowance allocations is tied to the submittal of necessary information.

Opt-in

Section 410(a) of Title IV of the Clean Air Act Amendments of 1990 allows the owner or operator of any SO2 source that is not an affected unit under section 403(e), 404, or 405 to elect to designate that source as an affected source and receive allowances under Title IV. Section 410(a) requires sources opting in to submit a permit application and a compliance plan to the Administrator.

Section 410(b) requires the Administrator to establish a baseline utilization rate for SO2 emissions for opt-in sources based on fuel consumption and operating data for calendar years 1985, 1986, 1987. Section 410(c) requires the Administrator to establish a limit for SO2 emissions based on the baseline utilization rate and the lesser of the source's actual or allowable 1985 emissions.

Section 410(e) requires that the Administrator issue allowances to sources that become affected sources under Section 410. The number of allowances is to be based on calculations made under Section 410(c).

NO_x Permitting

Section 408 of Title IV of the Clean Air Act Amendments of 1990 specifies that utility owners and operators of units affected under Title IV must submit permit applications and compliance plans (including NO_x compliance plans), and that EPA must issue permits.

- Section 408 provides general authority for the information collections under this ICR related to compliance options. In addition,

C Section 407(e) of Title IV allows the owner or operator of two or more affected units to petition the permitting authority for a NO_x averaging plan.

C Section 407(d) provides for AELs for utility units that cannot meet the applicable limitation using low NO_x burner technology or the technology on which the limitation was based. Section 407(d) specifies that an owner or operator requesting an AEL must show the permitting authority that (1) appropriate control equipment has been properly installed, and (2) the equipment has been properly operated for a period of

fifteen months (or another period of time as established by regulation) and operating and monitoring data for such period demonstrate that the unit cannot meet the applicable emission rate. The owner or operator must also specify an emission rate that the unit can meet on an annual average basis.

2.2 Practical Utility/Users of the Data

Allowance Transfers

Information collected on allowance transfers will be used by EPA or its designated agent to track allowances for the purpose of determining compliance with the Acid Rain Program. Information on allowance transfers will also be used by participants in the allowance market and the public to evaluate the activities of utilities, and by EPA for program evaluation.

Auctions

EPA or its designated agent will use the information collected for the allowance auction to conduct and facilitate administration of auctions. The basic information requested will require little evaluation. Bids submitted for auctions will be ranked to select winning bidders and to conduct transfers of emission allowances. The auction information results will also be used by participants in the allowance market and by state public utility commissions in evaluating their states' utilities activities.

Conservation and Renewable Energy Reserve

Information collected on the use of energy conservation measures and renewable energy will be used by EPA to issue allowances from the Conservation and Renewable Energy Reserve.

Permits

Acid rain permit applications, including proposed compliance plans, will be used by EPA and permitting authorities to issue operating permits and to allocate allowances. A permit application will be legally binding on the owners, operators, and designated representative of a source until the actual permit is issued. This aspect of the permit application reduces significantly the uncertainty imposed on a source due to possible delays at EPA. EPA will use the acid rain permit as a binding document for determining each unit's compliance with the Acid Rain Program. Affected sources may rely on the permit for information on the requirements with which they must comply. Because permit applications and permits will be public documents, they may be used by the public to examine activities undertaken by affected sources.

Emissions Monitoring

Data from emissions monitoring is indispensable to successful implementation of the Acid Rain Program for two reasons:

- Title IV of the Act clearly states that its primary purpose is to reduce the adverse

effects of acid deposition by reducing annual emissions of sulfur dioxide and nitrogen oxides. For sulfur dioxide emissions, the statutory objective is achieved through an emissions trading program. For nitrogen oxide emissions, the statutory objective is achieved through annual emission limitations on certain units.

- EPA can only enforce the sulfur dioxide trading program and the nitrogen oxide emission limitation program by having accurate emissions data for each affected unit.

Electric utilities, energy consultants, and power marketing companies can use the Acid Rain program emissions data to project future SO_2 allowance costs and availability. Academic institutions can perform data modeling to evaluate environmental benefits and estimate health effects of SO_2 reductions. EPA and other agencies use it to try to correlate the reduction of SO_2 emissions with a decrease in acid precipitation, and also to measure the impacts of other existing and proposed emissions trading programs.

Together, the allowance trading system, operating permits, and emissions data provide the accountability to allow the Acid Rain Program to function without more stringent command and control approaches.

Opt-in

Information collected on opt-in respondents is used by EPA to record which sources are to be designated affected sources, and hence are to be bound by the regulations of the CAAA that are relevant to affected sources.

Opt-in permit applications are used by EPA to issue operating permits. A permit application is legally binding on the owners, operators, and designated representative of a source until the actual permit is issued. This aspect of the permit application reduces significantly any uncertainty during the period of time required to issue a permit. EPA uses the opt-in permit as a binding document for determining each source's compliance with Acid Rain Program. Fuel usage and emissions rate data in the opt-in application is used to allocate allowances to the opt-in source.

The information on annual utilization and the replacement of thermal energy, if covered by a Thermal Energy Plan, contained in the annual compliance report is used by EPA to determine compliance with the Act.

For respondents who choose to withdraw from the program, the withdrawl notification is essential to notify EPA to discontinue the allocation of allowances to the source and enforcement of the acid rain provisions.

Annual Compliance Certification

This information will be used by EPA to determine annual compliance.

NO_x Permitting

Information collected on NO_x compliance plans will be used by EPA to evaluate these compliance plans. Information collected on applications for emissions averaging groups or AELs will be used by EPA to determine whether to approve these applications. This information may also be used by the regulated community and the public to evaluate the activities of utilities, and by EPA for program evaluation.

3. NONDUPLICATION, CONSULTATIONS, AND OTHER COLLECTION CRITERIA

This section describes (1) efforts by EPA to learn whether the information requested is available from other sources, (2) consultations with respondents and data users to plan collections, monitor their usefulness, and minimize the collection burden, (3) effects of less frequent collections, and (4) justification for deviations from OMB's general guidelines.

3.1 Nonduplication

Almost all information requested from respondents under this ICR is required by statute and, in most cases, is not available from other sources. Review of the proposed forms resulted in the elimination of many redundant requirements.

Where EPA needs information that has already been submitted, EPA is simply requiring a photocopy of the prior submittal.

3.2 Consultations

The data requirements for the Acid Rain Program were developed with the benefit of extensive consultation with the Acid Rain Advisory Committee (ARAC) during five meetings in 1991 lasting two to three days each. The Committee was composed of representatives of those entities most affected by or interested in the information requirements of the Acid Rain Program. Representation on the Committee was provided for industry, states, and environmental groups. Other parties consulted include the Utility Air Regulatory Group (UARG), the State and Territorial Air Pollution Program Administrators (STAPPA), and the Association of Local Air Pollution Control Officers (ALAPCO).

Recommendations provided by ARAC strongly supported the use of standardized reporting forms for acid rain permit applications:

- Utilities affirmed that standardized forms reduce uncertainty about what constitutes a complete application and thus reduce the need to supply additional information in a

second submission;

- States asserted that the use of standardized forms developed by EPA would reduce the time and effort states will need to implement an acid rain permit program; and

- Environmental groups argued that the use of standardized forms provides greater assurance that permits will be enforceable in a consistent manner nationwide.

Many ARAC recommendations were incorporated into the acid rain regulations regarding permits and the related standardized forms.

Furthermore, since the beginning of implementation of the Acid Rain Program, representatives from the utility industry, monitoring equipment vendors, software programmers, consultants working together with utilities, and other interested parties have offered comments on the existing rule requirements, standard forms and electronic data reporting formats used to implement the Part 75 program. The EPA has used these comments to revise the rules, forms and reporting formats, especially changes in the formats to cover a wider group of units. In particular, the revised forms and electronic data reporting format have been revised in the past to address reporting requirements for gas-fired units and oil-fired units that are using pre-approved monitoring exceptions to the use of CEMS. Industry groups have also worked together with EPA to revise the recordkeeping and reporting requirements in revisions to Part 75 in 1995 and 1996. Comments and suggestions from working groups, comprised of UARG, Class of 85 Regulatory Response Group, and the PJM Powerpool also were incorporated in designing the annual compliance forms.

For the current revisions to Part 75, EPA has solicited and obtained input from a number of affected utilities and other interested parties. The Agency convened an informal workgroup to provide ideas on the revisions during the development stage, released a pre-proposal draft of the revisions and received numerous written comments on that draft. The Agency also gathered cost information directly from vendors, testing companies, affected utilities and other sources (see Docket A-97-35, Item IV-A-5). In addition, the Agency received formal comments on the revisions following the publication of the proposed version of revisions in the Federal Register on May 21, 1998 (63 FR 28032). Most of the rule revisions (and accompanying revisions to the reporting formats) are a result of input from these interested parties.

3.3 Effects of Less Frequent Collection

Collection of allowance transfer information for each transfer of allowances is necessary to effectively implement a system for issuing, recording, and tracking allowances, which is required by statute.

Conservation and Renewable Energy Reserve

Collection of applications for allowances from the Conservation and Renewable Energy Reserve for emissions avoided through the use of conservation measures or renewable energy is required by statute and is vital to (1) determine qualification for these allowances, and (2) establish the sequence for allocating allowances on a first-come, first-served basis.

Permits

The requirement for the designated representatives of owners and operators of affected sources to submit permit applications, including proposed compliance plans, every five years is a statutory requirement. The periodic compliance reports or notifications required for specific compliance options are essential to (1) enhance enforcement of emissions limitations requirements, and (2) ensure that utilities receiving bonus allowances and extensions comply with the conditions upon which they were granted the allowances.

Emissions Monitoring

Submission of monitoring plans once and submission of the results of any required monitoring to EPA no less often than every six months are required by statute. More frequent collections of emissions data (i.e., quarterly), however, allows the opportunity to check data for errors and provide rapid feedback on needed adjustments to data collection systems, and thereby promotes accurate and reliable emissions data. For this same reason, existing federal and state emission monitoring programs often require quarterly reporting, or in some cases, monthly. Less frequent collection, such as semi-annually or annually, would increase the amount of preparation and review time at the end of the year both for regulated sources and for EPA. This would slow down the process of true up and end of year verification of compliance.

Records of monitoring information are to be kept at the source for 3 years after the date of creation of the record. In certain circumstances, fuel flowmeter calibration and Appendix E testing records may have to be kept for up to five years if the owner or operator takes advantage of rule provisions that allow up to five years between tests. These 5 year recordkeeping requirements only apply if the owner or operator voluntarily elects either of these options as a cost-effective approach for the owner or operator's specific circumstances.

Allowance Allocation & Small Diesel Refiners

Collections under Section 410(h) are necessary for the integrity of the allowance allocation program. Information collection for the allowance allocations for small diesel refineries must be yearly, through April 2000, to correspond to the congressionally-mandated annual allowance allocations.

Opt-in

Collection of permit applications for the opt-in program occurs only once every five years, thus minimizing the respondent burden. This collection is necessary for the operation of the program; without it, EPA would not know which sources wanted to opt in, nor their baseline utilization, nor the

lower of their 1985 actual or allowable emission rate. Collection of withdrawal notifications also occurs once; this is also a necessary collection.

Annual Compliance Certification

The Statute indicates that compliance is to be determined annually by comparing the allowances held by the unit to the unit's total annual emissions.

NO_x Permitting

The Agency is required by statute to include NO_x compliance plans as part of the Acid Rain permits. NO_x compliance plans are not required during the period of this ICR, but some averaging plan revisions are expected. Permits incorporating approval of compliance plans will be valid for a period of five years.

3.4 General Guidelines

Section 403(d) of Title IV requires that EPA establish a system for issuing, recording, and tracking allowances. To track allowances accurately and to help ensure the orderly and competitive functioning of the allowance system, it is essential that participants be able to report information on allowance transfers as they occur.

The general requirement that permit applicants submit information on standard forms is established by Section 502(b) of Title V. The five-year life of an acid rain permit is established by Section 408(a) of Title IV.This information collection does not violate the guidelines set forth by OMB. In some cases, records of Part 75, Appendix E test results or fuel flowmeter calibration test results may need to be retained for up to five years, but only if the owner or operator chooses to take advantage of the ability to extend the period between tests up to five years. In all other circumstances, Part 75 monitoring records must be kept for only three years.

3.5 Confidentiality and Sensitive Questions

Information collected through this activity is not confidential or of a sensitive nature.

4. THE RESPONDENTS AND THE INFORMATION REQUESTED

This section lists the major categories of businesses that participate in the Acid Rain Program, the data items requested from program participants, and the activities in which the participants must engage to assemble or submit the required data items.

4.1 Respondents/SIC Codes

Title IV applies to "utility units," which are defined to include units that serve a generator producing electricity for sale or that did so in 1985. Entities owning "utility units" that are likely to participate in allowance transactions are electric service providers (SIC code 4911) and selected firms in the non-utility generation industry, such as coal mining service companies (SIC code 1241). Participants in transactions and the annual auctions include security and commodity brokers and dealers (SIC code 62), management and business consulting service organizations (SIC codes 8742 and 8748, respectively), non-profit organizations and natural gas companies (SIC code 1311). Affected units under Title IV, particularly units affected under Phase II, are the likely applicants for allowances from the Conservation and Renewable Energy Reserve. Section 405(i)(2) applies to a limited group of "utility units." Entities owning "utility units" that will likely submit information under this section are electric service providers, SIC code 4911.

Small Diesel Refiners

Section 410(h) is limited to small diesel refiners who meet the eligibility requirements set out clearly in the Act. (SIC code 2911)

Emissions Monitoring

Utility units affected under Phase II are required to submit emissions monitoring data under this ICR; the initial list of units affected under Phase II was promulgated on March 23, 1993. Some additional new units will be affected under the Acid Rain Program and must meet emissions monitoring requirements.

Opt-in

Potential participants in the opt-in program are facilities that emit SO2 but are not designated affected units under Title IV. Such facilities include utility units that serve an electric generator of less than 25 MW that produces electricity for sale or that did so in 1985. Entities owning utility units under 25 MW that may participate in the opt-in program are electric service providers (SIC code 4911). Other potential participants are industrial boilers that are represented in a wide range of SIC categories.

4.2 Information Requested

This section lists the data items requested from affected sources for the collections described in this ICR. This section also defines the activities in which respondents must engage to assemble, submit, or store these data items.

4.2.1 Data items, Including Recordkeeping Requirements

Allowance Transfers

All participants to allowance transfers will be required to complete and submit an allowance transfer form or provide the following information for each allowance transfer:

- Allowance tracking system account number;
- Name, phone number, and facsimile number of the authorized account representative, along with the representative's signature and date of submission; and
- Serial numbers of allowances to be transferred.

Certificate of Representation

Existing Phase I and Phase II affected sources have been assigned an allowance tracking system number and have appointed a designated representative by submitting a certificate of representation. New units that are affected must submit the certificate of representation before commencing commercial operation, and will then be assigned an allowance tracking system number. The data items requested for the certificate of representation are as follows:

- Source identification;
- Name, address, telephone and facsimile number of the designated representative;
- Name, address, telephone and facsimile number of the alternate designated representative;
- List of "owners and operators" of the source and each unit at the source;
- Certification statement;
- Signature of designated representative;
- Signature of alternate designated representative; and
- Date signed.

Notification for Distribution of Proceeds from EPA Auctions

EPA will send one check for each plant represented for the proceeds from the auctions and sales of allowances. The following information is required for this notification for distribution of proceeds:

- Authorized Account Representative (AAR) Identification;
- Name of the company the check should be endorsed to;
- The company’s tax payer identification number;
- Plant name and plant code; and
- Signature of AAR.

General Account Holders (Allowance Market Participants)

Entities that are not affected sources (such as individuals holding allowances) are required to submit a completed account information application or provide the following information to obtain an allowance tracking system account number, prior to or simultaneous with the first transfer:

- Organization or company name (if applicable);
- Name, mailing address, phone number, and facsimile number of the authorized account representative;
- Name of the alternate authorized account representative (optional);
- A list of all persons subject to a binding agreement for the authorized account representative to represent their ownership interest with respect to the allowances held in the account; and
- Certification statement and the signatures and date for the authorized account representative, and alternate authorized account representative, if any.

Conservation and Renewable Energy Reserve

In order to receive allowances from the Conservation and Renewable Energy Reserve for emissions avoided, each electric utility must submit an application to EPA. The application requires the following items:

- Name and phone number of the person(s) who completed the application; and name and phone number of contact person.
- Demonstration of qualification to receive allowances for emissions avoided;
- A list of the qualified energy conservation measures implemented and the qualified renewable energy sources used for purposes of avoiding emissions during the previous calendar year;
- Verification of (1) installation of energy conservation measures and the energy savings attained, and (2) plant operation using renewable energy and the energy generation attributable to renewable energy input;
- For utilities using the EPA Conservation Verification Protocol, the information and methodologies used in determining energy savings, including a description of the conservation measures, the dates of claimed savings, the number of installations, the calculations used to determine energy savings, aggregate statistical information needed to calculate confidence levels, and a description of any comparison groups;
- Calculations of the number of tons of emissions avoided by implementing conservation measures or using renewable energy; and
- Identification of allowance tracking account(s) to which the Reserve allowances are to be allocated.

Permits

To initially obtain a Phase I acid rain permit, applicants for permits were required in the original ICR to submit a certificate of representation and an acid rain permit application for each affected source.

If the designated representative of a unit expects to comply with the applicable emissions limitations by holding the requisite number of allowances and expects to meet the applicable NO_x

emissions limitations, no further application information will be required for Phase I. If the designated representative of a unit elects to use one or more compliance options, specific information to support the use of the proposed options may be required. These options and the information requirements for each are as follows:

Substitution Plan §72.41

- Identification of Table 1 Units
- Identification of Substitution Units
- (a) Baseline from NADB version 2.1
- (b) Lesser of actual or allowable 1985 emissions rate per NADB version 2.1
- (c) Product of (a) * (b) / 2000.
- Sum of (c) for all substitution units (equals all allowances available annually under Substitution plan) (optional)
- Statement that allowances will be allocated annually only to each substitution unit
  or
  List showing distribution of allowances among Appendix A and substitution units
- First and last calendar years for plan
- Special provisions
- Standard certification
- Name and signature of each designated representative

Reduced Utilization Plan §72.43

- Unit Identification
- Methods to be employed to account for planned reduction in utilization
- Designation/identification of compensating units and sulfur-free generators (if any)
- For compensating units, allowance calculation
- For units not in the utility system, documentation of system directives or contractual agreements to provide power
- First and last calendar years of compliance plan (if known)
- Special provisions
- Standard certification

New Unit Exemption §72.7

Operators of new units that serve generators with a nameplate capacity of 25 MW or less and use fuel with a sulfur content by weight of less than 0.5 percent may obtain an exemption from monitoring, permitting, and allowance requirements if they submit a certification with the following information:

- Unit Identification

- Nameplate capacity of the generators served by the unit
- The fuels currently burned and their sulfur content by weight
- Certification that the owners and operators will comply with all necessary requirements
- Standard certification at §72.21(d)(2)

Retired Unit Exemption

Operators of affected units that are retired prior to the issuance (including renewal) of a Phase II Acid Rain Permit for that unit may obtain an exemption from monitoring if they submit a certification with the following information:

- Unit identification
- Certification that the unit is permanently retired and will comply with all necessary requirements
- Standard certification at §72.21(d)(2)

Industrial Unit Exemption

- Unit identification
- Statement that the unit is not a cogeneration unit
- List of the current owners and operators of the unit and a statement that the owners and operators principle business is not the sale of electricity
- Summary of the terms of the interconnection agreement
- A copy of the interconnection agreement
- Nameplate capacity of each generator served by the unit
- Starting in 1985, actual annual electrical output of each generator, total electricity produced for sale, and total electricity produced and sold under the interconnection agreement
- Certification statements

All data items requested from permit applicants must be submitted on standard forms. Most of the information requested in the forms is specifically required by law.

Emissions Monitoring

Emissions monitoring requirements specify that affected sources must (1) submit a monitoring plan for each affected unit at a source, (2) submit data for certification of each monitor, and (3) record hourly operational, pollutant monitor, and flow monitor data for each affected unit and submit quarterly reports of their emissions data to EPA. Appendices A and B to this ICR contain a list of the data items required by the recordkeeping and reporting provisions of Part 75.

Respondents are required by 40 CFR 75.64 to submit the quarterly emissions data electronically, by direct electronic submission to EPA, and must also include a certification statement by

the designated representative of the unit. All records are to be kept for three years, with two possible exceptions under voluntary options that are discussed in section 3(c) of this ICR.

The Part 75 revisions add or revise a number of recordkeeping and reporting terms. Many of these are necessary to demonstrate that the unit qualifies for particular exceptions or exemptions that are allowed under the revisions. Items have been added to support reporting of: data to qualify units as low mass emitters; data to qualify units as peaking units or gas-fired units; data to qualify units for Appendix I procedures; data to qualify a unit for off-line calibration; and data to qualify units for quality assurance test extensions and exemptions. Requirements have also been added to support data reporting for units with multiple range analyzers, additional operating load data, reporting of recertification or other events, flow/load checks, moisture data, and fuel flow/load checks. Provisions have also been included for optional electronic reporting of the designated representative information, certification, and signature.

Auctions

For auctions, participants are required to submit a bid form and payment method at least six days prior to the date of the auction. Sealed bids will be submitted on a standard bid form developed by EPA. Each bid will provide the following basic information:

C Name
C Account number (or new account information)
C Allowance quantity and price, and
C Type of auction

The bid will also specify an acceptable method of payment for the total bid price regardless of the type of auction (spot or advance). Full payment for allowances -- in an acceptable form -- will be required with the bid at the time of submission.

Allowance Allocations for Small Diesel Refiners

EPA requires that the refinery's annual request for allowances include the following information:

- Certification that all motor fuel produced by the refinery for which allowances are claimed shall have met the requirements of subsection 211(i) of the Clean Air Act and EPA implementing regulations;

- For calendar years 1994 through 1999, inclusive, photocopies of Form 810 for each month in the respective calendar year.

All operating and idle petroleum refineries and blending plants in the 50 states, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, and other U.S. possessions are required to file EIA (Energy Information Administration) Form 810 on a monthly basis to the Department of Energy.

Although the forms collect data on all of the operations of the refinery, there are specific data requirements that identify the throughput of crude oil and existing and planned data requirements dealing with distillate (diesel fuel) throughput and desulfurization. These are the pieces of data that Congress intended for EPA to use to evaluate refineries for program eligibility and allowance allocations.

In addition, each refinery which is eligible for these allowances and chooses to receive the allowances must submit a one time Allowance Account Information Form. This form allows the refinery to be entered into EPA's Allowance Tracking System which will be accessible by the refinery for trading allowances. The requirements for establishing a general account are covered under the Allowance Transfers section of this ICR and in 40 CFR Part 73 Subpart C of the acid rain regulations.

Opt-in

To obtain an opt-in permit, applicants are required to submit a certificate of representation and an opt-in permit application for each source. For all respondents, the application must provide (1) general information on the source, (2) specific data about the source's fuel consumption and operating data for 1985, 1986, and 1987, and (3) data on the source's actual and allowable emission rates for 1985, as well as the current allowable emission rate. For permit applicants who plan to opt in *and shut down*, the compliance plan is based on a statement describing the source's plans for shutting down and replacing thermal energy.

The general information required of all opt-in sources include the following items, as listed in Section 74.16 or another section as listed below:

- Source name and location;
- Name, address, telephone and facsimilie number of the designated representative;
- Name, address, telephone and facsimilie number of the alternate designated representative;
- Statement of certification;
- Complete record of fuel consumption and operating data for calendar years 1985, 1986, 1987, or other acceptable baseline;
- Actual and allowable emission rates for 1985, or if source was not operating in 1985, for a calendar year to be determined by the Administrator, as well as the current allowable emission rate;
- Statement provisions as indicated at 72.9; and
- Signature of designated representative and date of signature.

In addition, sources that opt in and continue to operate must meet the emission monitoring requirements that were listed above.

As part of the annual compliance certification report required in Section 74.43 for opt-in units, respondents must report utilization information, and replacement of thermal energy and resulting transfer

of allowances. The following information must be reported, as required in Sections 74.44 and 74.47:

- Source name and location;
- Name, mailing address, telephone and facsimilie number of source representative;
- Benchmark utilization, annual utilization, average utilization, end-of-year determination of reduced utilization, and the calculation of allowances deducted for reduced utilization (if any);
- Amount of thermal energy replaced (if the source has shut down or if the utlization rate has fallen due to replacement of thermal energy by another source), and the name and location of the source or sources providing replacement thermal energy;
- A calculation of the number of allowances transferred to each source providing replacement thermal energy;
- Allowance tracking system account number of the replacement units; and
- Dated signatures for all designated representatives.

All respondents who choose to withdraw from the program will be required to notify the Agency of their decision and provide the following information, as required in Section 74.18:

- Source account number;
- Name, address, telephone and facsimilie number of the designated representative; and
- A certification that emissions requirements will be met through Dec. 31 of the current year, and that all remaining allowances will be surrendered at that time.

Annual Compliance Certifcation

As part of the annual compliance certification report required in Section 72.90, the designated representative for a Phase I affected source must provide the following information by March 1, 1999 and March 1, 2000:

- Source name, State, and ORIS Code;
- Allowance Tracking System account number and general compliance information;
- Dispatch System name;
- Baseline utilization, annual utilization, and annual generation;
- the calculation of allowances deducted for underutilization (if any); and
- Dated signatures for the designated representatives.

The designated representative may also need to provide the following information under section 72.92:

- Dispatch system baseline and adjusted utilization;
- Dispatch system sales (baseline and current year);
- Fraction of generation within dispatch system and dispatch system emissions rate;
- Fraction of generation from NUGs and NUG emissions rate; and
- Dated signatures for all designated representatives.

and the following information under section 72.91(a)(5):

- Sulfur-free generator name;
- Baseline and calendar year generation;
- List of units claiming sulfur-free generation;
- Generation available for shifting; and
- Dated signatures for all designated representatives.

In addition, if the designated representative chooses to identify the specific serialized allowances to be deducted from the unit's ATS account, then the following information is required:

- Allowance Tracking System account number;
- Type of deduction;
- Serial numbers of the allowance blocks to be deducted; and
- Dated signature of the designated representative.

Finally, if a unit is claiming that a reduction in utilization is due to savings from energy conservation or improved unit efficiency measures, then section 72.91(b) requires the designated representative to submit a confirmation report to verify the savings. The confirmation report requires the following information:

- Source name, State, ORIS Code and Boiler number;
- Allowance Tracking System account number and dispatch system name;
- Verified savings from energy conservation or improved unit efficiency measures;
- Estimated savings from energy conservation or improved unit efficiency measures;
- Either a certification of the verified savings by the State utility regulatory authority, or other documentation (may be EPA's Conservation Verification Protocol) that verifies the savings;
- A calculation of the number of allowances to be credited or deducted; and
- Dated signature of the designated representative.

The annual compliance certification report required in Section 72.90, for a Phase II affected source must provide the following information by March 1, 2001 and each year thereafter:

- Source name, State, and ORIS Code;
- Allowance Tracking System account number and general compliance information;
- Dated signatures for the designated representatives.

In addition, if the designated representative chooses to identify the specific serialized allowances to be deducted from the unit's ATS account, then the following information is required:

- Allowance Tracking System account number;
- Serial numbers of the allowance blocks to be deducted; and
- Dated signature of the designated representative.

NO_x Permitting

Regardless of the compliance option selected, the following elements must be included in the compliance plan for each source:

- Identification of the source;
- Identification of each affected unit at the source that is subject to these regulations;
- Identification of the boiler type of each unit; and
- Identification of the compliance option proposed for each unit.

For the standard emission limits, the designated representative must simply check a box on the form indicating the appropriate limit.

For an emissions averaging plan, the following information must be submitted:

- Identification of each unit in the plan;
- Each unit's applicable emission limitation;
- The alternative contemporaneous applicable emission limitation for each unit (in lb/mmBtu);
- The annual heat input limit for each unit (in lb/mmBtu);
- The calculation for the equation outlined in Step 2 of the EPA form for emissions averaging; and
- The effective date of the plan.

For an AEL, the designated representative must submit the following information:

AEL Demonstration Period

For an AEL, the designated representative must first submit an application for an AEL demonstration period. The application must contain the following information in accordance with 40 CFR §76.10(d):

- Identification of the unit;
- The type of control technology installed. If low NO_x burner technology incorporating advanced and/or separated overfire air is technically infeasible, a justification including a technical analysis and evaluative report from the vendor of the system or from an independent architectural and engineering firm explaining why;
- Documentation that the installed NO_x emission control system has been designed to meet the applicable emission limitation and that the system has been properly installed;
- The date the specific unit commenced operation following the installation of the NO_x control equipment, or the date the specific unit became subject to the emission limitations (whichever is later);

- The dates of the operating period (minimum of 3 continuous months);
- Certification by the designated representative that the unit and the NO_x control equipment were operated during the operating period in accordance with specifications and procedures designed to achieve the applicable emission limitation, with the operating conditions upon which the design of the NO_x control equipment was based, and with vendor specifications and procedures;
- A brief statement describing the reason or reasons an AEL demonstration period is required for the specific unit;
- For the control technology, load range, O_2 range, coal volatile matter range, and percentage of combustion air introduced through overfire air ports;
- Description of planned modifications;
- List of parametric tests to be conducted in accordance with 40 CFR §76.15;
- Identification of the continuous emission monitoring data submitted pursuant to 40 CFR Part 75 that is to be used in assessing this application;
- An interim AEL, in lb/mmBtu; and
- The proposed dates of the demonstration period.

Final AEL

After the demonstration period, the owner or operator may petition the permitting authority for a final AEL. The petition must include the following information in accordance with 40 CFR §76.10(e):

- Identification of the unit;
- Certification that the affected unit and the NO_x control equipment have been properly operated during the demonstration period;
- Certification that the affected unit has installed all emission control equipment, made any operational modifications, and completed any upgrades and/or maintenance to equipment specified in the demonstration period plan;
- A clear description of each step or modification taken during the demonstration period;
- Engineering design calculations and drawings that show the technical specifications for installation of any additional operational or emission control modifications installed during the demonstration period;
- Identification of the continuous monitoring data submitted pursuant to 40 CFR Part 75 that is to be used in assessing this application;
- A report, based on the parametric testing, that describes the reasons for the failure of the installed NO_x control equipment to meet the applicable emission limitation;
- The minimum NO_x emission rate, in lb/mmBtu, that the affected unit is able to achieve on an annual average basis;
- All supporting data and calculations documenting the determination of the proposed AEL; and
- For affected units that have installed an alternative technology, demonstration that the

annual average reduction of NO_x emissions is greater than 65 percent.

Recordkeeping

All records are to be kept for three years, except for permitting records which are to be kept for the duration of the permit, or up to five years and certain new monitoring provisions.

4.2.2 Respondent activities

Allowance Transfers

Participants in the allowance transfer system that are not affected units are required to perform two tasks: (1) negotiate an agreement to designate an authorized account representative and file an account information application to open an Allowance Tracking System general account; and (2) complete and submit allowance transfers. Designating an authorized account representative and filing an account information application is required one time only, prior to or concurrent with conducting the first transfer of allowances. For each transfer of allowances, participants are required to complete and submit an allowance transfer form or otherwise provide the required information. Phase I or Phase II units that were required to submit a certification of representation under the initial ICR, must continue to prepare and submit allowance transfer information for each allowance transfer.

General account holders and affected units may change the authorized account representatives by submitting a subsequent allowance account information form or certificate of representation form respectively.

Conservation and Renewable Energy Reserve

The tasks that must be performed by utilities applying for allowances from the Conservation and Renewable Energy Reserve are (1) designate the qualified energy conservation measures implemented and the qualified renewable energy sources used to avoid emissions, (2) verify installation of energy conservation measures or the plant operation using renewable energy, and the resulting benefits, (3) calculate the tons of emissions avoided, and (4) demonstrate qualification to receive allowances for emissions avoided. Generally, because utilities already perform these tasks to satisfy state requirements, utilities do not need to duplicate these efforts to apply for allowances from the Reserve. Rather, utilities primarily assemble the information resulting from these activities in an application and submit this application to EPA.

Obtaining a Permit

The primary tasks to obtain a permit are listed below. These tasks will be performed only by new units during the period covered by this ICR. In general, sources with existing units, must reapply at least 6 months prior to the expiration of an existing permit. Since most permits will begin expiring late in 2002, the reapplications to the permitting authority will be covered by the next ICR renewal.

- Designate a representative of the owners and operators of a source. Read the designated representative certification procedures. Negotiate an agreement to designate a representative for each unit at a source. Complete and submit the certification. This task is only relevant for a new Phase II source or if a source changes the designated representative.
- Prepare the permit application. Read the permit application instructions, then collect relevant information for the permit application. Complete the Phase II acid rain permit application. Where appropriate, provide specific information to support the use of compliance options for NO_x. Review the information for accuracy and appropriateness and report the information to the permitting authority.

Emissions Monitoring

The primary tasks that are performed by respondents to meet the emissions monitoring requirements are (1) completing and submitting appropriate monitoring plan forms for each affected source and each affected unit at a source; (2) conducting tests to certify the operation of monitors, and submitting test results to EPA; (3) recording hourly emissions data (this activity generally is performed electronically); (4) operation and maintenance activities associated with the monitoring, including quality assurance activities; (5) assuring data quality, preparing quarterly reports of emissions data and submitting these reports to EPA; and (6) responding to error messages generated by EPA. In addition, respondents must purchase the necessary monitoring hardware (or pay for fuel sampling and analysis in some cases) and purchase the electronic data reporting software (or software upgrades).

Small Diesel Refiners

Small diesel refineries will need to read the preamble and final rule to learn the procedures for qualifying for allowance allocations. If facility management wishes to participate, a responsible official will need to gather Forms EIA-810 for each month of the previous year and prepare a transmittal letter.

Opt-in

In order to provide the information discussed in the previous section, participants must complete three tasks to participate in the opt-in program: (1) submit a permit application, (2) meet monitoring requirements, and (3) submit annual compliance reports. Respondents who choose to withdraw will be required to submit a withdrawal notification.

The primary tasks that must be completed to obtain a permit and the activities associated with them are listed below. These tasks will be performed only once during the period covered by this ICR.

- Designate a representative of the owners and operators of a source. Read the designated representative certification procedures. Negotiate an agreement to designate a representative for each source. Complete and submit the certification.
- Prepare the permit application. Read the permit application instructions, then collect relevant information for the permit application. Complete written forms, including an

application for an opt-in permit. Review the information for accuracy and appropriateness. Submit the information to EPA, sending copies to the appropriate EPA regional office.

Respondents who opt in and *continue to operate* must also perform the task required under the emissions monitoring section above. Respondents who opt in *and shut down* do not need to perform any tasks related to monitoring.

To withdraw from the program, respondents must notify EPA of their decision to withdraw. Notification entails providing EPA with the data items presented in Section 3.2.1..

Opt-in sources covered by a thermal energy plan, must also report information concerning the replacement of thermal energy, including the identification of the source or sources providing replacement thermal energy, and the allowances transferred as a result of the replacement of thermal energy.

Annual Compliance Certification

The respondents will need to read the instructions, collect the relevant information and fill out the appropriate forms. The tasks associated with compliance reporting in Phase I are (1) certifying compliance by submitting an Annual Compliance Certification Report for the source, (2) reporting utilization information for the past year by submitting a Utilization Accounting form for each Phase I affected unit, (3) supplying dispatch system information, if any Phase I unit in the dispatch system is underutilized, using the Dispatch System Data Report, (4) for reduced utilization plans, providing sulfur-free generator apportionment information, (5) if the designated representative chooses, identifying the serial numbers of allowances to be deducted using the Allowance Deduction Form, and (6) if claiming energy conservation or improved unit efficiency savings, supplying verified data using the Energy Conservation and Improved Unit Efficiency Confirmation Report by July 1.

In addition, any substitution or compensating unit in a State where a state-enforced emission cap applies, the source must submit additional "State Cap" information.

Submitting annual compliance certifications is required for all Phase I affected units by March 1, 1999 and March 1, 2000.

The tasks associated with compliance reporting in Phase II are (1) certifying compliance by submitting an Annual Compliance Certification Report for the source, and (2) if the designated representative chooses, identifying the serial numbers of allowances to be deducted using the Allowance Deduction Form

NO_x Permitting

The primary tasks for a NO_x compliance plan are listed below.

- Prepare the NO_x compliance plan application. Read the application instructions, then collect relevant information. Analyze compliance options and plan compliance. Complete written forms. Review the information for accuracy and appropriateness and report the information to the permitting authority. Preparing a NO_x compliance plan application may include interpreting the rule, collecting information and completing and submitting a NO_x extension plan, a NO_x averaging plan, or an AEL petition.

During the period covered by this ICR, tasks for permitting will be performed only by sources choosing to revise NO_x averaging plans in accordance with Section 408.

5. THE INFORMATION COLLECTED -- AGENCY ACTIVITIES, COLLECTION METHODOLOGY, AND INFORMATION MANAGEMENT

The first part of this section describes Agency (EPA) activities related to the acquisition, analysis, storage, and distribution of the information collected from (1) participants in allowance transfers, (2) applicants for allowances from the Conservation and Renewable Energy Reserve, (3) permit applicants, (4) designated representatives of affected sources that are required to submit monitoring plans and emissions data, (5) participants in the annual auction, and (6) participants associated with allocation of allowances to small diesel refineries, (7) the opt-in program, (8) annual compliance certification, and (9) NO_x permitting. The second part describes the information management techniques employed to increase the efficiency of collections. The third part discusses the burden or benefits of the collection activities described in this ICR to small entities. The last part outlines the schedule for collecting information.

5.1 Agency Activities

Allowance Transfers

Collections associated with operating the allowance transfer system requires EPA to (1) track allowance holders and maintain allowance accounts, (2) review allowance transfer information for completeness and ensure that all requirements are met, (3) record allowance transfers, and (4) notify both participants in a transfer whether the transfer was recorded. EPA has developed a computer system called the Allowance Tracking System (ATS) to track allowances and maintain information on accounts.

Conservation and Renewable Energy Reserve

Activities that must be performed by EPA to distribute allowances from the Conservation and Renewable Energy Reserve include (1) registering applications and reviewing applications for completeness, (2) performing substantive reviews of applications to determine whether all necessary criteria to receive allowances have been met, (3) transferring allowances from the Reserve or notifying applicants of their failure to qualify for allowances from the Reserve, and (4) for utilities using the EPA

Conservation Verification Protocol, verifying the quantified energy savings from conservation measures.

Permits

EPA staff administering the permit program perform the following task:

- Review certificates of representation, enter the information in the Allowance Tracking System, and notify the representative.

Permitting authority staff, generally at the state or local level, perform the following tasks:

- Review permit applications and issue permits. Receive and review permit applications and record submissions. Provide notice to applicants whether permit applications are complete. Reformat collected data items to constitute proposed and final permits. Provide opportunities for public comment and participation.

Emissions Monitoring

The major EPA activities related to emissions monitoring and reporting include (1) reviewing monitoring plans and certification applications, and (2) processing, reviewing and evaluating reports of quarterly emissions data from affected units. EPA has developed a computer system called the Emissions Tracking System (ETS) to track and maintain this information. EPA also answers respondent questions and conducts audits of data submissions. To enable sources to perform self-audits of submissions, EPA also has recently developed the Monitoring Data Checking (MDC) software for use by affected sources. This software should enable sources to run automated quality checks of reports prior to submittal to EPA and reduce the burden of having to respond to EPA generated error messages.

Auctions

The statute allows EPA to delegate or contract out the function of administering auctions. The EPA has entered into an agreement with the Chicago Board of Trade (CBOT) whereby the CBOT shall administer the auctions. CBOT will not charge fees for their services, bid for allowances in the auctions, or transfer allowances in the EPA Allowance Tracking System. EPA is allowing, however, clearing members of the Board of Trade Clearing Corporation (BOTCC) to bid on their own behalf or their customers' without having to submit an EPA letter of Credit Form or certified check. Payment is being guaranteed through the BOTCC, which provides trade clearance and settlement services for CBOT. BOTCC members may charge bidders a fee for bidding on their behalf.

CBOT staff administering the auctions (auction agents) need to review procedures and prepare to conduct the auctions on an annual basis. The CBOT receives the sealed bids and payments, enters the information provided on bid forms into a computer system, and deposits the checks into a designated bank account. (Collectively, these activities comprise handling of bids and checks.) After

bids are recorded, CBOT ranks the bids using a computer program and allocates the allowances. CBOT announces the results in a press conference/release. Finally, after payment is verified, EPA records the transfer of allowances and transfers the proceeds from the auction to the owners and operators from whom the allowances were withheld. EPA has developed a computer system to track the payment of proceeds.

Opt-in

EPA staff administering the opt-in permit program perform the following tasks for each opt-in applicant:

- Review certification of representation, record information, and notify representative.
- Review permit application. Receive and review permit application and record submission. Provide notice to applicant as to whether permit application is complete. Reformat collected data items to constitute proposed and final permit.
- Notify applicant regarding allowances. Notify the opt-in permit applicant of the number of allowances the applicant would receive each year as an opt-in source.
- Issue permit, notify the public and affected states. Upon notification of the applicant's decision to proceed with the permit application, provide opportunities for public comment and participation.

EPA activities related to withdrawals will be to process the withdrawal notification, and ensure that all unused allowances have been surrendered at the end of the calendar year.

Annual Compliance Certification

EPA activities related to compliance reporting are (1) review end-of-year compliance submissions, (2) calculate and deduct the allowances from each affected unit, and (3) send the designated representatives an allowance reconciliation report.

NO_x Permitting

Agency staff perform the following task.

- Review NO_x compliance plan applications. Receive and review applications and record submissions. Provide notice to applicants whether applications are complete.

5.2 Collection Methodology and Management

To ensure consistency nationwide and to expedite (1) data entry, (2) the allocation of allowances from Reserves, and (3) permit issuance, EPA requires that standard reporting forms or equivalent formats or standard electronic reporting formats be used to submit all information to be collected under this ICR. The standard forms are included in Appendix C.

Currently, respondents to collections for allowance transfer information may submit the required information on a standard written form, or using an electronic format. Permit applications and annual compliance certifications are submitted on standard paper forms, as are certifications for new and retired unit exemptions. Also to ensure consistency and to expedite data entry, EPA requires that standard electronic data reporting (EDR) formats be used to submit information to be collected under Part 75 and, under the rule revisions, EPA also will require that data be sent via direct electronic submission to EPA beginning in the year 2001. The revised draft EDR formats (version 2.1) that correspond to the revisions to Part 75 are included as Appendix A to this document.

Several computer systems and associated databases have been developed to (1) track allowances, (2) record quarterly emissions monitoring data, (3) track auction proceed payments, and (4) calculate the number of allowances to be deducted each year. The systems and databases are designed to coordinate the information for easy access and use by the Agency, states, regulated community, and the public.

EPA has established an Acid Rain Home Page on the Internet, which includes detailed information collected from emissions reports, allowance transfer submissions, auctions, and annual compliance information. Those without access to the Internet may use the Acid Rain Hotline to request information, including the Annual Compliance Reports or other summary reports.

5.3 Small Entity Flexibility

For the purposes of the Acid Rain Program, EPA has adopted the Small Business Administration's definition of a "small" electric power utility as one that generates a total of less than 4 billion kilowatt-hours per year. Generally, although about two-thirds of the affected sources in Phase II generate a total of less than 4 billion kilowatt-hours per year and are required to participate in some collections under this ICR (e.g., submitting information for certification of monitors and submitting quarterly emissions monitoring reports), the costs to these sources for collections under this ICR are small relative to the revenues they generate.

All affected sources under the Clean Air Act Amendments of 1990 are required to submit permit applications and to respond to other collections under this ICR, according to the same parameters (with the exception of operators of new units of 25 MW or less, who may receive an exemption from the Acid Rain Program requirements if they qualify). Retired units may also be exempted from some reporting requirements.

The use of standardized forms will enable small entities to understand and complete permit application submissions without the level of staffing which would be necessary in the absence of such forms.

The small diesel program is available primarily to small businesses. To best accommodate the

needs of businesses, small and large, EPA has minimized the collection burden by requiring certified reproductions of already existing information.

In the January 11, 1993 final Acid Rain Core Rules, EPA provided for a conditional exemption from the emissions reduction, permitting, and emissions monitoring requirements of the Acid Rain Program for new units having a nameplate capacity of 25 MWe or less that burn fuels with a sulfur content no greater than 0.05 percent by weight, because of the high cost of monitoring emissions from these sources and the *de minimis* nature of their emissions.

The Part 75 rule revisions also create an additional small unit exception. This exception incorporates optional reduced monitoring, quality assurance, and reporting requirements into Part 75 for units that combust natural gas and/or fuel oil and that emit no more than 25 tons of SO_2 and no more than 50 tons of NO_x annually and that calculate no more than 25 tons of SO_2 and no more than 50 tons of NO_x annually based on required procedures for calculating and reporting emissions. Qualifying utilities will no longer be required to keep monitoring equipment installed on (or conduct sulfur-in-fuel sampling for) low mass emissions units, nor will they be required to perform quality assurance or quality control tests. Moreover, emissions reporting requirements will be significantly simplified for these units.

Even if a gas- or oil-fired unit does not qualify for this "low mass emissions unit" exception, the revisions also significantly reduce the costs and burdens associated with fuel sampling and QA activities for these units. As discussed in the Regulatory Impact Analysis (RIA) of the final Acid Rain Implementation Regulations (October 19, 1992), smaller utilities are more likely to be dependent on these oil- and gas-fired units, especially very small utilities (see p. 5-14 of that RIA document).

Further reductions in requirements aimed specifically for small entities are limited because of the statutory requirements that all affected units use CEMS (or an equivalent method) to record and report emissions data for Title IV purposes.

5.4 Collection Schedule

Allowance Transactions

There is no specific collection schedule associated with allowance transactions.

Conservation and Renewable Energy Reserve

Submitting applications for allowances from the Conservation and Renewable Energy Reserve is voluntary. Allowances from the Reserve will be allocated on a first-come, first-served basis during the period from January 1, 1992 to December 31, 2000.

Permits

Each Phase I acid rain permit is effective from January 1, 1995, until December 31, 1999. Revisions to the permit may be submitted at any time. Phase II permit applications, which were

required by January 1, 1996, are covered in the initial ICR.

Emissions Monitoring

Monitoring plans must be submitted only once, although certain elements of the monitoring plan are submitted (and updated as necessary) routinely as part of the EDR format. The revisions to Part 75 further clarify what monitoring elements need to be submitted in hard copy versus electronic form.

Only new units will have to apply for certification during the 1999-2001 time period. While some monitors will be required to apply for recertification, there is no set schedule for recertification.

Quarterly reports are due for each quarter during the life of this information collection request. In addition, EPA has provided for notifications to the Agency for semi-annual or annual quality assurance testing and for situations where a unit will have a revised certification deadline (for example, notifications of unit start-up for new units). As part of the revisions, EPA will exempt units that have been shutdown from quarterly reporting during the shutdown, even though such units could resume operation after providing notice to EPA.

Auctions

The spot and advance auctions are currently held before March 31 of each year. The cutoff date for submission of bids is only a few days prior to the auction in order to limit the time EPA holds the bidders' money.

Allowance Allocations & Small Diesel Refiners

For the 410(h) small diesel refiners program, submittals for eligibility can be made at any time. EPA believes that all eligible small diesel refineries have already submitted the eligibility applications. Information for the allocation of allowances must be submitted annually. Submissions are accepted no later than April 1 of the year following the eligible desulfurization. Allowances for the small diesel refineries program are available from October, 1993 through December, 1999.

Opt-in

Opting in to the allowance program requires just one information collection (although monitoring information for affected sources must be collected quarterly). Opt-in permit applications may be submitted to EPA and the permitting authority at any time. Permits must be renewed at that time, and every five years thereafter. Revisions to the permit may be submitted at any time.

Monitoring plans must be submitted only once, at the time the opt-in permit application is submitted. The data upon which EPA will base its certification of each emissions monitor may be submitted after the source receives a draft opt-in permit, but must be submitted before the source may be designated an affected source. (Monitors must be installed, certified by EPA, and operating before the source may be designated an affected source.) Emissions data to meet reporting requirements are collected quarterly, 30 days after the end of each calendar quarter, beginning at the end of the first quarter in

which the source becomes an affected source.

Compliance reports must be sent annually. Allowance transfer information must be submitted once for each transfer; a certificate of representation needs to be submitted only once, at the same time as the opt-in application.

Withdrawing requires only one information collection.

Annual Compliance Certification

This information is collected annually from March through July for the preceding calendar year.

NO_x Permitting

Revisions to NO_x averaging palns may be submitted at any time.

6. ESTIMATING THE BURDEN AND COST OF COLLECTIONS

This section estimates the paperwork burden and cost of (1) tracking and transferring allowances, (2) obtaining and distributing allowances from the Conservation and Renewable Energy Reserve, (3) obtaining and issuing permits, (4) submitting monitoring plans, obtaining certification of each monitor, and recording and reporting data from CEM systems, (5) the auction program, (6) allowance allocation to small diesel refineries, (7) the opt-in program, (8) end-of-year compliance activities, and (9) NO_x permitting.

First, assumptions regarding allowance transfers are presented, followed by the annual respondent and Agency burden and cost estimates associated with allowance transfers. Subsequent sections separately address allowances for energy conservation and renewable energy use, permits, emissions monitoring, auctions, opt-in, and annual compliance. Finally, aggregate annual burden hour and cost estimates to respondents and to EPA for collections covered by this ICR are presented.

Estimating Labor Costs

To calculate labor costs, EPA used the following amounts: $66.05 per hour for managers, $45.44 per hour for technicians, and $21.20 per hour for clerical workers. As noted above, these rates were derived by using the rates from the previous ICR and updating them with the Employment Cost Index to June 1998.

The labor cost to the Agency, $42.81 per hour, was also derived by updating the rate from the previous ICR.

6.1 Tracking and Transferring Allowances

Labor burden and costs for collections associated with tracking and transferring allowances are functions of the number of transfers anticipated. Based on number of transfers recorded by EPA in 1997, EPA is assuming that about 1,500 privately submitted allowance transfers will be made each year, 1999 through 2001.

6.1.1 Estimate of Respondent Burden and Costs for Transfers

Exhibit 1 presents the annual burden and costs to participants in allowance transfers. Participants that are not affected units are required to negotiate an agreement to designate an authorized account representative and file a new account application; this activity is required only one time, prior to or simultaneous with the participant's first transfer of allowances. All participants are required to complete and submit allowance transfer information for each transfer of allowances. EPA estimates about 30 hours to designate an authorized account representative and to open a general account, and about 2 hours to prepare and submit information for an allowance transfer.

Assuming that 1,500 transfers will be made annually, the burden to respondents will be about 4,950 hours annually. The cost to respondents will be about $260,000 annually.

EXHIBIT 1
ANNUAL RESPONDENT BURDEN/COST ESTIMATES FOR ALLOWANCE TRANSFERS

Tasks	Burden Hours per Occurrence	Cost per Occurrence[a]	Total Burden[b]	Total Cost
1. Designate an authorized account representative and file new account application				
Managerial	10	$661	650	$42,965
Technical	15	$682	975	$44,330
Clerical	5	$106	325	$6,890
2. Prepare and submit allowance transfer information				
Managerial	1	$66	1,500	$99,000
Technical	1	$45	1,500	$67,500
TOTAL			4,950	$260,685

[a] 1998 dollars.

[b] Assumes 65 participants file new account applications and 1,500 transfers are made.

6.1.2 Estimate of Agency Burden and Costs for Transfers

Agency burden and costs are divided into those costs associated with enhancing a tracking system and those associated with transferring allowances.

Allowance Tracking System

The allowance system regulations set the general requirements for the tracking system, which has been developed by EPA. In order to track allowances, the allowance tracking system must include information on (1) allowance allocations for each affected unit, (2) allowance transfers and deductions, and (3) allowance holders. Also, to allow for the transfer of future year allowances, the allowance tracking system will contain allowance information for thirty years into the future. EPA has made the information compiled in the allowance tracking system publicly available in several formats on the internet and is continually working to improve electronic access.

EPA incurs annual operation and maintenance (O&M) costs for running an electronic

transmission network, system enhancement, general maintenance, and employee salaries. These O&M costs are estimated at $100,000 to $200,000 per year (or an average of about $150,000 annually).

Allowance Transfer System

Upon receipt of an allowance transfer notification, EPA will (1) review allowance transfer information for completeness and ensure that all requirements have been met, (2) record allowance transfers, and (3) notify both participants to a transfer whether the transfer was recorded. EPA estimates that it will require an average of one hour to perform these activities for each notification. Assuming 1,500 transfers will be made each year, the annual burden to EPA will be about 1,500 hours. The cost to EPA will be about $64,500 annually. Exhibit 2 summarizes the Agency burden and cost estimates for recording and transferring allowances.

EXHIBIT 2
ANNUAL AGENCY BURDEN/COST ESTIMATES FOR ALLOWANCE TRANSFERS

Tasks	Burden Hours Per Occurrence	Cost Per Occurrence[a]	Total Burden[b] (Hours)	Total Cost
Review allowance transfer information, record transfer, and notify transfer participants	1	$43	1,500	$64,500
TOTAL			1,500	$64,500

[a] 1998 dollars.

[b] Assumes 1,500 transfers are made annually.

6.2 Obtaining and Distributing Allowances From the Conservation and Renewable Energy Reserve

Although it is difficult to predict the number of utilities that will apply for allowances from the Conservation and Renewable Energy Reserve, based on previous years this analysis assumes that 20 applications will be submitted in 1999 and 10 applications each year thereafter. EPA is also assuming that only one application for allowances will be submitted by any one utility in a particular year.

6.2.1 Estimate of Respondent Burden and Costs

Exhibit 3 depicts the annual respondent burden and costs associated with obtaining allowances from the Conservation and Renewable Energy Reserve. Each utility applying for allowances from the Reserve is required to perform the following tasks: (1) designate energy conservation measures implemented and renewable energy sources used to avoid emissions; (2) verify savings from energy

conservation measures and/or amount of generation from renewable energy; (3) calculate the tons of emissions avoided; and (4) demonstrate qualification to receive allowances for emissions avoided. Because most states already collect information on these activities from utilities, the primary burden to utilities will be that associated with assembling and submitting to EPA the application to receive allowances from the Reserve. Assuming it will take applicants about 46 hours to assemble and submit an application to receive allowances from the Reserve to EPA, and an additional 32 hours if the applicant chooses to assemble and submit the information required in the EPA Conservation Verification Protocol, the total annual burden to respondents will be 952 hours in 1999 and 492 hours in subsequent years. The total annual cost to utilities applying for allowances from the Conservation and Renewable Energy Reserve will be $45,446 in 1999 and $23,486 in subsequent years.

EXHIBIT 3
ANNUAL RESPONDENT BURDEN/COST ESTIMATES FOR CONSERVATION AND RENEWABLE ENERGY ALLOWANCES

Tasks	Burden Hours per Application	Cost per Application[a]	Total Burden (Hours)		Total Costs	
			1999	2000 and 2001	1999	2000 and 2001
1. Assemble and submit an application to receive allowances from the Reserve[b]						
Managerial	11	$727	220	110	$14,540	$7,270
Technical	30	$1,363	600	300	$27,260	$13,630
Clerical	5	$106	100	50	$2,120	$1,060
2. Assemble and submit the information required in the EPA Conservation Verification Protocol[c]						
Managerial	7	$462	7	7	$462	$462
Technical	22	$1,000	22	22	$1,000	$1,000
Clerical	3	$64	3	3	$64	$64
TOTAL			952	492	$45,446	$23,486

[a] 1998 dollars.
[b] Assumes 20 applications in 1999 and 10 applications each year thereafter.
[c] Assumes 1 applicant will utilize the EPA Conservation Verification Protocol.

6.2.2 Estimate of Agency Burden and Costs

Exhibit 4 depicts the annual burden and costs to EPA associated with distributing allowances

from the Conservation and Renewable Energy Reserve. Tasks performed by EPA related to the distribution of allowances from the Reserve include the following: (1) register applications and review applications for completeness; (2) perform substantive reviews of applications to determine whether all necessary criteria to receive allowances have been met; (3) transfer allowances from the Reserve or notify applicants of their failure to qualify for allowances from the Reserve; and (4) for utilities that choose to use the EPA Conservation Verification Protocol, verify the quantified energy savings from conservation measures. Assuming it takes EPA about 11 hours to process each application and transfer allowances (or notify applicants), the total annual Agency for distributing allowances from the Reserve is an estimated 125 hours in 1999 and 65 hours each year thereafter. At a cost of $40 per hour, the total annual cost to EPA will be $5,354 in 1999, and $2,784 in subsequent years.

EXHIBIT 4
ANNUAL AGENCY BURDEN/COST ESTIMATES FOR CONSERVATION AND RENEWABLE ENERGY ALLOWANCES

Tasks	Burden Hours per Application	Cost per Application[a]	Total Burden (Hours)		Total Costs	
			1999	2000 and 2001	1999	2000 and 2001
1. Register application and review for completeness[b]	1	$43	20	10	$860	$430
2. Perform substantive review of application[b]	4	$171	80	40	$3,420	$1,710
3. Transfer allowances from the Reserve or notify applicants[b]	1	$43	20	10	$860	$430
4. Verify energy savings based upon the EPA Conservation Verification Protocol[c]	5	$214	5	5	$214	$214
TOTAL			125	65	$5,354	$2,784

[a] 1998 dollars.
[b] Assumes 20 applications in 1999 and 10 applications each year thereafter.
[c] Assumes 1 applicant will utilize the EPA Conservation Verification Protocol.

6.3 Obtaining and Issuing Permits

This part presents estimates of the level of effort required and the associated costs to permit applicants and either EPA or the permitting authority of obtaining and issuing permits. This analysis estimates the cost and burden only for new sources required to obtain permits for Phase II and for sources changing designated representatives. The initial submittal of all Phase I and II permit applications for existing sources were covered in the initial information collection request. Also, because

1999 is the last year of Phase I, EPA assumes that no sources will modify their Phase I permit before it expires on Dec. 31, 1999.

All applicants for permits will be required to submit a general acid rain permit application for each affected source that covers all units at the source.

6.3.1 Estimate of Respondent Burden and Costs for Permiting

Exhibit 5 depicts the burden and costs to respondents for (1) selecting a new designated representative, (2) submitting a Phase II permit application, (3) submitting a retired unit exemption, (4) submitting a new unit exemption, and (5) submitting an industrial unit exemption. Based on the past few years of operation, EPA assumes that each year 60 Certificate of representation forms will be submitted to appoint new designated representatives, 5 new sources will submit Phase II permit applications, 5 units will submit retired unit exemptions, 15 units will submit new unit exemptions, and 5 sources will submit industrial unit exemptions.

The total annual respondent burden is estimated to be 2,435 hours. The costs associated with the permitting process are estimated at $141,320 annually.

EXHIBIT 5
RESPONDENT BURDEN/COST ESTIMATES FOR PERMITS

Tasks	Burden Hours Per Occurrence	Cost Per Occurrence[a]	Total Burden (Hours)	Total Cost
Change designated representative[b]				
Managerial	28	$1,849	1,680	$110,904
Technical	3.5	$159	210	$9,540
Clerical	3.5	$74	210	$4,440
Phase II permit applications[c]				
Managerial	4	$264	40	$2,640
Technical	4	$182	40	$1,820
Clerical	2	$42	20	$420
Retired unit exemption[d]				
Managerial	2	$132	10	$660
Technical	2	$91	10	$455
Clerical	1	$21	5	$105
New unit exemption[e]				
Managerial	2	$132	30	$1,980
Technical	3	$136	45	$2,040
Clerical	1	$21	15	$315
Industrial unit exemption[f]				
Managerial	10	$661	50	$3,305
Technical	10	$454	50	$2,270
Clerical	4	$85	20	$425
TOTAL			2,435	$141,320

[a] 1998 dollars.
[b] Assumes that 60 certificate of representation forms will be submitted.
[c] Assumes 10 new sources will submit Phase II permit applications each year.
[d] Assumes 5 units will submit retired unit exemptions each year.
[e] Assumes 15 units will submit new unit exemptions each year.
[f] Assumes 5 units will submit industrial unit exemptions each year.

6.3.2 Estimate of Agency/Permitting Authority Burden and Costs for Permitting

EXHIBIT 6
ANNUAL AGENCY/PERMITTING AUTHORITY BURDEN/COST ESTIMATES FOR PERMITS

Tasks	Burden Hours Per Occurrence	Cost Per Source[a]	Total Burden (Hours)	Total Cost
1. Review certificates of representation and record information[b]	1	$43	60	$2,580
2. Review permit application, and issue draft, proposed and final permit[c]	15	$642	150	$6,420
3. Review and approve or disapprove retired, new, and industrial unit exemptions[d]	8	$342	200	$8,550
TOTAL			410	$17,550

[a] 1998 dollars.
[b] Assumes 60 sources submit a certificate of representation
[c] Assumes 10 new permit applications per year.
[d] Assumes 5 retired, 15 new, and 5 industrial unit exemption submissions per year.

Exhibit 6 presents the burden and costs to EPA or the permitting authority to review and process permit information. The primary tasks performed by EPA are reviewing certificates of representation, and reviewing industrial unit exemption submissions. The primary tasks performed by the permitting authority are reviewing permit applications, notifying the public, and issuing proposed and final permits, and reviewing new and retired unit exemptions. Reviewing a certificate of representation and determining completeness notice is estimated to require one hour. Reviewing the permit application, notifying the public, and issuing proposed and final permits is estimated to require 15 hours per occurrence. The Agency's total annual effort will be about 410 hours. The total cost to EPA for all permiting activities will be about $17,550.

6.4 Emissions Monitoring Recording and Reporting

This section estimates the paperwork burden and cost of submitting monitoring plans, obtaining certification of each monitoring system, conducting monitor quality assurance activities, and recording and reporting data from CEM systems (or approved alternatives).

The legislative requirements in Title IV require all affected Phase I and Phase II sources to install SO_2 and NO_x CEM systems, opacity monitors (COMS), and flow monitors (or approved alternatives). Data handling or reporting is required by the law, but not specified. Under the promulgated regulations, however, EPA imposes data handling, reporting, and recordkeeping requirements. The EPA requires that all affected units required to install CEM systems use a data acquisition and handling system (DAHS) to record hourly CEM and flow monitor data in the EDR format. Affected gas- and oil-fired units may elect to use the approved alternative SO_2 monitoring method and record fuel sulfur analysis data, and then use a DAHS to record and report hourly fuel flow values from a fuel flow meter in the EDR format. In addition, peaking units that burn natural gas and/or fuel oil may use an excepted method for calculating NO_x emission rates. Under the Part 75 revisions, EPA will allow certain low mass emission units to use assumed emission factors together with operational data to calculate emissions, and will allow certain oil- and gas-fired units to use an optional flow monitoring methodology.

Affected sources are required to complete and submit a monitoring plan and obtain certification of each monitor (on standard forms) for each affected unit at the source. These plans and certifications, which are only submitted once, have already been submitted for most units. Sources, however, may need to submit revised plans or even recertify if they change some aspect of their existing plan. New units will still need to submit plans and certifications for the first time. In addition, all affected units are required to submit quarterly reports of their emissions data to EPA; these reports include much of the basic monitoring plan data as well.

To develop this renewal ICR, EPA took into account both changes in assumptions about the underlying burdens and costs of Part 75, and the effect of the rule revisions. The changed assumptions about the baseline burdens and costs reflect EPA's experience in implementing the program as well as information supplied from interested stakeholders. For the rule revisions, many of the revisions were assumed to be cost neutral. Most of those changes reflect rule clarifications or minor revisions that were requested by affected utilities. A few revisions were estimated to increase burdens and/or costs, while several items were estimated to decrease burdens and/or costs. The items in each of these categories are identified in Table 6-1.

Table 6-1:
Summary of Impacts of Major Rule Revisions

A. Rule Revisions Assumed to Be Cost/Burden Neutral
- ! Clarifications to certification/recertification process
- ! Data validation clarifications
- ! Span/range clarifications
- ! Backup monitoring flexibility changes
- ! Restrictions on number of RATA attempts
- ! Deletion of four month RATA waiting period
- ! Changes to the RATA test procedures
- ! Direct electronic submission of quarterly reports
- ! Appendix H/protocol gas changes
- ! New Appendix I optional flow monitoring method
- ! Gas sampling procedures for Acid Rain units combusting gaseous fuel other than natural gas
- ! Option for electronic signature
- ! Diluent cap provisions
- ! Complex stack provisions
- ! Petition process clarifications
- ! Partial operating hour reporting
- ! QA/QC plan clarifications

B. Rule Revisions Assumed to Increase Costs/Burdens*
- ! DAHS software changes
- ! Moisture monitoring quality assurance
- ! Flow-to-load test for flow monitors
- ! Flow-to-load test for fuel flowmeters (optional)

C. Rule Revisions Assumed to Decrease Costs/Burdens
- ! RATA grace periods
- ! RATA flexibility for gas-fired SO_2 CEMS units
- ! Reduced flow monitor RATA requirements
- ! Use of QA operating quarters rather than calendar quarters
- ! Calculation procedures for units with low mass emissions
- ! Reduced Appendix D fuel sampling
- ! Reduced Appendix D flowmeter testing
- ! Elimination of sampling for CO_2 missing data
- ! Deferred unit reporting changes
- ! Elimination of reporting for missing data causes/cures

*In addition to the increase in burden caused directly by the rule, the respondent burden will increase slightly in the first year following the rule revisions due to the additional time necessary to review the rule and debug software.

To assess how the rule revisions affect the respondents' burdens and costs, EPA analyzed existing data reported by the affected units to classify and characterize the affected population. The result of this analysis characterizes the total number of reporting units into the following model categories (units that will be able to take advantage of the low mass emitter excepted methodology have been subtracted from the numbers below):

- Model A (units with SO_2, flow, NO_x, and CO_2 CEMS): 1070 total units.
- Model B (units with opacity CEMS as a result of Title IV): 475 total units. (Note: these units also are classified under other models for SO_2, NO_x, and CO_2 requirements.)
- Model C (oil-fired units with Appendix D for SO_2 and CEMS for NO_x/CO_2): 39 total units with an estimated 103 fuel flowmeters.
- Model D (gas-fired units with Appendix D for SO_2 and CEMS for NO_x/CO_2): 377 total units with an estimated 1073 fuel flowmeters.
- Model E (oil-fired units using both Appendix D and E): 35 total units with an estimated 61 fuel flowmeters.
- Model F (gas-fired units using both Appendix D and E): 90 total units with an estimated 216 fuel flowmeters.
- Model G (units with moisture monitors necessary for moisture correction): 107 total units. (Note: These units are also classified under other models for SO_2, NO_x, and CO_2 requirements.)

These estimates were derived from data reported to EPA by the affected sources. The analyses of data reported to EPA by the affected sources were also used to develop information on: units with fewer than 168 operating hours on a quarterly basis; units requiring semi-annual RATAs; average operational hours in which oil is burned; and units combusting gaseous fuel other than natural gas. All of this information was used to develop estimates of the number of respondents that are expected to be affected by various elements of the rule revisions.

To estimate the burden and/or cost of each incidence of the various rule revisions, EPA had available prior estimates of the costs of various activities, estimates provided by affected utilities in comments to the Agency, cost estimates provided by vendors, testing companies, and utilities, and estimates based on the Agency's experience in implementing the program. In addition, the hourly labor rates for managerial, technical and clerical staff reflect the labor rates used in the existing ICR but updated to 1998 dollars using the Employment Cost Index, consistent with Agency ICR guidance.

The following sections 6.4.1, 6.4.2, 6.4.4, and 6.4.5 indicate the respondent burdens and costs of Part 75 implementation. Section 6.4.3 discusses the Agency burdens and costs.

6.4.1 Estimating Respondent Burden

The primary tasks performed by owners and operators of affected units are (1) reviewing the regulations, forms and instructions, (2) responding to EPA generated error messages, (3) reprogramming

a DAHS and debugging the software, (4) completing and submitting monitoring plans for each unit at the source, (5) performing appropriate tests and providing test results to certify each monitor, (6) performing quality assurance testing and maintenance upon monitors, (7) assuring the quality of emissions data, preparing quarterly reports of emissions data, and submitting reports to EPA; and (8) fuel sampling.

(i) Regulatory Review. EPA estimates that the time to review instructions and requirements should be 24 manager hours and 24 technician hours per year, per source, in 1999. This increase reflects the cost of familiarization with the rule revisions and the new EDR version 2.1. The estimate decreases after the first year to be consistent with the labor estimates used in the previous ICR for years 1997 and 1998 (4 manager hours and 4 technician hours for both 2000 and 2001).

(ii) Response to Error Messages. The EPA provides feedback to sources so that suspected errors in submissions by sources are noted and corrected. With the release of the MDC software, EPA expects the burdens for this activity to decrease over time. Thus, for 1999, this ICR uses the same burden estimates as were used for the 1997/1998 period (4 manager hours and 8 technical hours per reporting unit per year), but then decreases those hours to 2 manager and 6 technical hours for the years 2000 and 2001. In addition, this activity should be inapplicable for the simplified reporting required of low mass emissions units, and, therefore, the total number of respondents for this activity excludes those units.

(iii) DAHS Upgrade and Debugging. Each source must purchase (or create) and install computer software designed to implement the electronic data reporting (EDR) formats required under the Acid Rain Program. Because of the rule revisions, the existing software will have to be upgraded. The costs of the upgrade are discussed in Section 6.4.2, below. The Agency estimates that sources will incur 8 manager and 16 technical hours in 1999 to coordinate the purchase and installation of the upgraded software. In addition, consistent with the prior ICR, EPA estimates that each source will have some burdens for debugging the software. Consistent with the previous ICR, EPA assumes a relatively high burden in the first year of implementing the new, upgraded software followed by only a minor amount of burden in the second and third years (see line 4 of Exhibit 7). Sources that have only low mass emissions units will not be impacted by these requirements and are excluded from the total number of respondents for these line items in Exhibit 7.

(iv) Monitoring Plans. Consistent with the existing ICR, completing and submitting monitoring plans is estimated to require an average of about 20 hours per source initially. All first-time monitoring plan submissions will be received prior to the time period covered in this revised ICR, except for new units. Thus, consistent with the existing ICR, EPA is assuming that initial monitoring plans were all prepared prior to the 1999-2001 period. The burden associated with revising the monitoring plan is included in the time for preparing and submitting each quarterly emissions report.

(v) Monitor Certification. In the previous ICR, EPA estimated that performing tests to certify or recertify each monitor and submitting the test results would require hiring a contractor for about 7 days

at only a negligible direct labor burden to affected sources. Based on the information gathered as part of the rule revisions, EPA has modified these assumptions to include labor burdens for this activity and reduce the contractor costs. Because only recertifications are included in the estimated activities for 1999-2001, the Agency estimates a labor burden of 50 hours and a contractor cost of $3,400 per respondent. The cost and burden figures exclude the costs and burdens associated with conducting a RATA as part of the recertification process because those costs are incorporated within the annual QA costs for previously certified monitoring systems.

(vi) Quality Assurance. Quality assurance (QA) testing and maintenance upon monitoring systems is the largest burden item under the Acid Rain CEM Program. Those requirements generally include daily, quarterly and annual QA requirements, depending on the monitoring approach being used. For reporting units that use a full set of CEMS (SO_2, flow, NO_x and CO_2), the Agency has developed a per unit labor burden based primarily on information gathered from affected sources. For units that also are required to install and maintain a continuous opacity monitoring system (COMS) as a result of Part 75, additional labor burdens apply. For units that rely on Appendix D excepted methods for SO_2 but use a NO_x and CO_2 CEMS, reduced labor burden estimates apply because the quality assurance activities for the excepted methods are less than for a CEMS. The labor burdens for these excepted methods were derived primarily from cost estimates provided by a group of affected utilities (see Docket A-97-35, Item II-D-48). For units that rely on the excepted methods under both Appendix D and E (i.e., units without CEMS), the burden estimates are reduced further because no CEMS QA is required. Finally, for the relatively small number of units that require moisture correction, labor burdens for moisture monitoring QA activities have been added based on information supplied by an affected utility (see Docket A-97-35, Item II-D-94). Using the data discussed above, EPA estimates that the average respondent (using a weighted average for the units that fall under Models A-G) will require approximately 500 labor hours to meet the QA requirements of Part 75. Consistent with the existing ICR, this labor is expected to be almost entirely technician labor.

(vii) Quarterly Reports. Tasks performed by utilities in preparing quarterly reports include: (1) assuring the quality of the data, (2) preparing the quarterly report, (3) revising the monitoring plan, if necessary, (4) preparation of hard copy documentation accompanying the quarterly reports, and managerial review. The EPA estimates that, taking into account the rule revisions, the requirements to assure data quality, prepare quarterly reports of emissions, revise monitoring plans where appropriate, and submit these reports will require on average about 204 hours per year for each unit (except 16 hours per year for low mass emissions units).

Exhibit 7 summarizes the annual respondent burdens.

6.4.2 Estimating Respondent Costs

Exhibit 7 summarizes the annual respondent costs. The following discussion describes how those costs were derived.

(i) Estimating Labor Costs

In estimation of labor costs, EPA used the following amounts: $66.05 per hour for managers and $45.44 per hour for technicians. As noted above, these rates were derived by using the rates from the previous ICR and updating them with the Employment Cost Index to June 1998.

(ii) Estimating Total Capital and Annual Operations and Maintenance Costs

Capital/start-up costs include the cost of installing required CEMS or alternatives. The Agency has also included a cost for the purchase of monitoring equipment. These costs were covered in the Regulatory Impact Analysis of the Final Acid Rain Implementation Regulations (October 19, 1992) but were not included in ICRs prior to the effective date of the 1995 revisions to the Paperwork Reduction Act. The Agency has developed these estimates based on Agency CEM cost models, comments from various affected utilities, and other information gathered during the rulemaking process (see, for example, Docket A-97-35, Item IV-A-5). The cost estimates vary depending on how many and what type of monitors are required. A capital cost estimate is included for each of the Models A-G on Exhibit 7.

Operation and maintenance costs (exclusive of labor costs) reflect ongoing costs to a unit and include both contractor costs for the required recertification, diagnostic, and quality assurance (QA) testing, and other direct maintenance-related expenses (e.g., spare parts and calibration gases). These cost estimates have been derived from EPA CEM cost models, existing ICRs, Agency staff experience under the Acid Rain Program, information gathered during development of the Part 75 revisions, and supplemental estimates provided by affected utilities and others related to the various cost items (see, e.g., EPA Air Docket A-97-35, Item II-D-48). The total cost for these items (other than fuel sampling) is estimated at $30,380 for a unit with a full set of CEMS. Units using alternate methodologies have reduced costs. The fuel sampling costs are presented as a separate line item, and are estimated to be $581,100 per year, for all units. Based on information received from affected utilities, the Agency has included fuel sampling as an O&M cost rather than a source labor burden (see Docket A-97-35, Items IV-A-5 and IV-G-3).

Note that testing contractor costs for certification, recertification and annual RATAs also are presented as other direct costs and are not converted to equivalent source labor hours. This approach is consistent with the common business practice for obtaining outside contractors to conduct certification/recertification tests and annual relative accuracy test audits. For initial certification, the certification test costs are commonly bundled with equipment purchase contracts, according to information provided by a range of CEMS equipment vendors. For RATAs that are conducted either as part of the annual quality assurance requirements or as part of recertification, industry contacts have indicated that RATA testing is usually performed under a fixed price contract basis, except for travel costs that may be billed on an hourly basis beyond the basic contract cost. For annual RATAs, the sources indicated that an annual contract between a testing company and utility is often used. One

municipal utility representative indicated that the applicable municipal regulations required that outside contracts be on a flat fee, not hourly, basis.

(iii) Capital/Start-up vs. Operating and Maintenance (O & M) Costs

Capital costs reflect one-time costs for purchase of equipment which will be used over a period of years. Conversely, operating and maintenance costs are those costs which are incurred on an annual or other scheduled basis. For instance, costs associated with quality assurance activities, such as spare parts or contractor costs for work, will be incurred on an annual basis.

(iv) Annualizing Capital Costs

The capital costs of equipment were annualized over a 10-year period, with the average estimated CEM system life based on input from CEM vendors. Costs were annualized at a discount rate of seven percent. The annualized cost of the necessary DAHS upgrade purchase associated with the rule revision is $1,658,384 total, per year, for all sources. The capital costs of purchasing required monitoring equipment were also annualized at a rate of 7%, for a 10 year period. The annualized cost of CEM systems and fuel flowmeters is estimated to total approximately $90,400,000 per year, for all units.

EXHIBIT 7
ANNUAL RESPONDENT BURDEN/COST ESTIMATES FOR EMISSIONS REPORTING

Information Collection Activity		Hours/Costs Per Respondent						Total Hours and Costs				
		Respon. Hours/Year		Labor Cost/Year		Contractor/ O&M Cost	Capital/ Startup Cost	Number of Respon.	Total Hours/Year		Total Cost/Year	
		1999	2000/ 2001	1999	2000/ 2001	1999/ 2000/ 2001	1999/ 2000/ 2001	1999/ 2000/ 2001	1999	2000/ 2001	1999	2000/ 2001
1. Review Instructions and Requirements		48	8	$2,676	$446	$0	$0	728	34,944	5,824	$1,947,953	$324,659
2. Respond to EPA Generated Error Messages		12	8	$628	$405	$0	$0	1611	19,332	12,888	$1,011,257	$652,036
3. Reprogram DAHS for EDR V2.1		24	0	$1,255	$0	$0	$2,278	700	16,800	0	$2,473,408	$1,594,600
4. DAHS Debugging		104	16	$5,056	$809	$0	$0	700	72,800	11,200	$3,538,864	$566,636
5. Recertify Monitors		50	50	$3,055	$3,055	$3,400	$0	128	6,400	6,400	$826,263	$826,263
6. Perform QA Testing and Maintenance	Model A	530	530	$25,114	$25,114	$30,380	$71,195	1070	567,100	567,100	$135,556,909	$135,556,909
	Model B	171	171	$7,770	$7,770	$288	$3,560	475	81,225	81,225	$5,518,664	$5,518,664
	Model C	395	395	$18,361	$18,361	$17,400	$29,475	39	15,405	15,405	$2,544,204	$2,544,204
	Model D	395	395	$18,361	$18,361	$17,400	$29,475	377	148,915	148,915	$24,593,972	$24,593,972
	Model E	35	35	$1,693	$1,693	$1,800	$1,424	35	1,225	1,225	$172,111	$172,111
	Model F	35	35	$1,693	$1,693	$1,800	$1,424	90	3,150	3,150	$442,571	$442,571
	Model G	0	40	$0	$1,818	$8,000	$854	107	0	4,280	$0	$1,141,861
7. Assure Data Quality, Prepare Reports (inc. monitor plan update), Submit Reports		204	204	$10,094	$10,094	$0	$0	1787	364,548	364,548	$18,038,264	$18,038,264
7a. LME Reporting		(188)	(188)	($9,285)	($9,285)	$0	$0	176	(33,088)	(33,088)	($1,634,104)	($1,634,104)
8. Annual Fuel Sampling		0	0	$0	$0	$581,100	$0	--	0	0	$581,100	$581,100
							TOTAL:		1,298,756	1,189,072	$195,611,436	$190,919,746
							ANNUAL AVERAGE:		1,225,633		$192,483,642	

6.4.3 Estimating Agency Burden and Cost

The tasks that will be performed by EPA include processing, reviewing, and evaluating emissions data reports submitted by utilities. As in the existing ICR, EPA estimates that an average of 2 hours will be required to perform these tasks for each quarterly data report submitted by an affected source. Assuming that affected sources will submit 1787 quarterly emissions reports to EPA, the total annual burden incurred by the Agency will be 14,296 hours. The total annual cost to EPA to process, review, and evaluate 1787 quarterly emissions reports will be $612,012. Exhibit 8 summarizes the Agency burden and costs associated with emissions reporting.

EXHIBIT 8

Annual Agency Burden/Cost Estimates for Emissions Reporting

Tasks	Quarterly Burden Hours Per Report	Quarterly Cost Per Report[a,b]	Number of Reports[c]	Total Burden Per Year (hours) (1999-2001)	Total Cost
Process, review, and evaluate quarterly report and issue feedback letter	2	$85.62	1787	14,296	$612,012

[a] Based on an average total compensation rate of $42.81 per hour
[b] 1998 dollars
[c] Assumes 1787 emission data reports each quarter.

6.4.4 Estimating the Respondent Universe and Total Burden and Costs

EPA estimates that: (a) 728 sources will review instructions and requirements; (b) 700 sources (this number excludes sources with only low mass emissions units) will reprogram and debug DAHS computer software; (c) 1787 units will submit quarterly reports; and (d) 1611 units will respond to EPA generated error messages and perform QA testing and maintenance (units using the low mass emitter methodology are excluded from these activities). In addition, EPA estimates that approximately 128 units will recertify per year. Exhibit 7 shows the total burden and total cost based on this respondent universe.

6.4.5 Bottom Line Burden Hours and Cost Tables

(i) Respondent Tally

Exhibit 7 summarizes the aggregate burden and cost estimates to respondents from January 1999 through January 2001 for collections associated with implementation of Part 75.

(ii) The Agency Tally

Exhibit 8 summarizes the aggregate burden and cost estimates to EPA for collection, analysis, and storage of the data.

(iii) Variations in the Annual Bottom Line

The EPA expects a small variation in the annual bottom line, reflecting the reduced time in 2000/2001 to review instructions, reprogram a DAHS, develop flow-to-load tests and debug computer software. The variation is not expected to be greater than 25%.

6.5 Auctions

This part presents estimates of the burden and costs to participants and the Federal government associated with the auction program . EPA has delegated the administration of the auctions to the Chicago Board of Trade (CBOT).

Auctions are held only once a year. No restrictions are placed on the number of allowances for which a participant may bid. Multiple bids from a given participant are permitted, but each bid is treated individually and requires a separate bid form. Based on the average number of bids in the six auctions to date, EPA estimates that 220 bids will be received each year.

6.5.1 Estimate of Respondent Burden and Costs

Exhibit 9 depicts the burden and costs to auction participants. Auction participants must complete and submit the bid form along with a certified check or letter of credit. EPA estimates that the auction bid form takes approximately 30 minutes to prepare, and obtaining a means of payment takes approximately one hour. This estimate includes time allocated to research the required information, fill out the form, arrange for a certified check or letter of credit, and send the material to EPA. The burden and cost to auction participants is estimated to be 330 hours and $20,460 per year respectively.

EXHIBIT 9
ANNUAL RESPONDENT BURDEN/COST ESTIMATES FOR AUCTIONS

Collection Activities	Burden Hours Per Bid	Cost Per Bid[a]	Burden Hours Per Year	Cost Per Year
1. Completing bid forms[b]	0.5	$31	110	$6,820
2. Obtaining means of payment[b]	1	$62	220	$13,640
TOTAL:	1.5	$93	330	$20,460

[a] Based on an average rate of $62 per hour (For costing purposes, it is assumed that 80 percent of the total hours will be Managerial ($66.05/hr.) and 20 percent will be Technical ($45.44/hr.). These estimates are based on 1998 dollars.
[b] The 220 bids represents an average number of bids per year based on EPA's experience with the auction program.

6.5.2 Estimate of Agency Burden and Costs

Exhibit 10 depicts the burden and cost to EPA for the auction program. The CBOT incurs most of the burden and cost associated with the auction, including; the handling of bids and checks, and tabulation of the results. The burden and cost to CBOT is not included in this ICR.

Based on past experience, the burden and cost to the Agency will be about the same each year. Setting up and revising allowance tracking system (ATS) accounts for auction participants is estimated to take 40 hours, checking and announcing the auction results is estimated to take 60 hours, and transferring allowances and proceeds is expected to require 60 hours per year. As Exhibit 10 shows, the total burden to EPA for auction activities is 160 hours at a cost of $6,850.

EXHIBIT 10
ANNUAL AGENCY BURDEN/COST ESTIMATES FOR AUCTIONS

Collection Activities	Burden Hours Per Year	Cost Per Year[a]
1. Setup ATS accounts	40	$1,712
2. Check and announce results	60	$2,569
3. Transfer of allowances and proceeds	60	$2,569
TOTAL:	160	$6,850

[a] 1998 dollars.

6.6. Allowance Allocation to Small Diesel Refineries

This information collection activity involves the collection of verification data for eligibility and participation in the voluntary small diesel refiners allowance program.

EPA is assuming that all eligible refineries and units have already reviewed the final rule and preamble. For the purpose of this analysis, the burden is distributed among the management, technical, and clerical levels.

6.6.1. Estimate of Respondent Burden and Costs

EPA's voluntary small diesel refinery program currently has 19 participating refineries. The labor burden and costs for this collection are a function of the number of facilities that choose to participate. EPA is assuming that all 19 refineries currently participating will be eligible and continue to participate each year through 1999.

Exhibit 11 presents the annual burden and costs to participants of applying for allowances.

EXHIBIT 11
ANNUAL RESPONDENT BURDEN/COST ESTIMATES FOR THE
SMALL DIESEL REFINERY PROGRAM[a]

Task	Burden Hours per Occurrence	Cost per Occurrence[b]	Total Burden Hours[c]	Total Costs
Annual Application for Allowances				
Managerial	.5	$33	9.5	$627
Technical	1	$45	19	$855
Clerical	.5	$11	9.5	$209

Total	2	$89	38	$1,691

[a] Annual burden for years 1999 and 2000, the last year of the program.
[b] 1998 dollars.
[c] Assumes 19 small diesel refineries apply each year.

In each year of the program, an eligible refiner must maintain the monthly EIA Form 810's, total the desulfurized diesel fuel throughput for the year, use the total and the formula contained in the Act to calculate the allowance allocation, and certify the accuracy of the information in an application cover letter to EPA.

EPA expects 19 applications to be submitted in 1999 and 2000 by small diesel refiners. Since, each application takes about 2 hours to complete, the total burden will be 38 hours per year.

6.6.2. Estimate of Agency Burden and Costs

Exhibit 12 presents the Agency's burden and costs for the program annually.

EXHIBIT 12
ANNUAL AGENCY BURDEN/COST ESTIMATES FOR THE
SMALL DIESEL REFINERY PROGRAM[a]

Task	Burden Hours per Occurrence	Cost Per Occurrence[b]	Total Burden Hours[c]	Total Costs
Review Annual Applications	2	$86	38	$1,634

[a] Annual burden for years 1999 and 2000, the last year of the program.
[b] 1998 dollars.
[c] Assumes 19 small diesel refineries apply each year.

EPA reviews each annual application, submitted by an eligible refiner, and determines whether or not the allowance calculations have been made properly. EPA then allocates allowances to the eligible refiners at the completion of the annual review process. To assist the refineries, EPA also announces the allocations in a Federal Register notice.

6.7 The Opt-in Program

This subsection describes projections for (1) the number and types of sources that elect to participate in the opt-in program from January 1999 through January 2002, (2) the paperwork burden

hours for both respondents and EPA associated with the program, and (3) the total costs of the tasks required by the opt-in program.

Over the three years covered by this ICR, EPA estimates that 3 sources will opt in to the program, all will be operating sources and all will join in 1999. These figures are based on the number of opt-in applications EPA has received over the past three years.

6.7.1 Respondent Burden/Cost Estimates for The Opt-in Program

The tasks under this program are divided into the major categories of reporting -- permitting, emissions monitoring, and annual compliance certification. This section includes only the burden for these task categories for opt-in sources. Those affected sources covered by the mandatory requirements of the Acid Rain Program are covered in previous sections.

A. Opt-in Permit Applications

EPA estimates that 3 opt-in sources will submit permit applications in the first year covered by this ICR. All will be operating sources. The sources must select a designated representative, report operating and fuel consumption data from past years, and report the actual and allowable emissions rates for 1985 as well as the current allowable emission rate. The estimated total respondent burden related to opt-in permit applications is 525 hours, and the estimated total respondent cost is $27,078. Exhibit 13 presents the respondent burden and costs associated with opt-in permit applications for 1999.

B. Emissions Data Reporting

Emissions reporting is performed only by operating sources. The tasks for opt-in sources are identical to other affected sources and are listed in Exhibit 7. The burden and costs for emissions reporting from opt-in sources are included in the total in Exhibit 7.

C. Annual Compliance Certification

Annual compliance certification is performed by all opt-in sources. Each opt-in source is required to submit an annual compliance certification report and opt-in utilization form. Additionally, if the source is covered by a thermal energy compliance plan, it must submit a thermal energy compliance report. If an opt-in source has reduced utilization due to energy conservation or improved unit efficiency measures, it has the option of submitting an energy confirmation and improved unit efficiency confirmation report to verify the savings and offset the corresponding reduced utilization. To date none of the opt-in sources have verified energy conservation or improved unit efficiency measures, so EPA is assuming no sources will do so during the three years covered by this ICR. Finally, EPA assumes that each opt-in source will submit one optional allowance deduction form, which specifies the serial numbered allowances for deduction.

Total respondent burden and costs for annual compliance certification by opt-in sources are an estimated 962 hours and $47,274, respectively. Exhibit 14 presents respondent burden and costs for annual compliance certification by opt-in sources.

6.7.2. Agency Burden/Cost Estimates for the Opt-in Program

In 1999-2002, the Agency's burden includes; processing opt-in applications, processing quarterly emissions reports (which is included in Exhibit 8), and reviewing and certifying annual compliance reports. The Agency's estimated total burden related to the opt-in program is 308 hours in 1999, and 65 hours in subsequent years. The estimated total cost is $13,186 in 1999 and $2,782 in subsequent years. Exhibit 15 presents the Agency's burden and costs for opt-in program.

EXHIBIT 13
1999 RESPONDENT BURDEN/COST ESTIMATES FOR OPT-IN PERMIT APPLICATIONS

Tasks	Burden Hours per Occurrence	Cost per Occurrence[a]	Total Burden (hours)[b]	Total Cost
1. Select a designated representative				
Managerial	28	$1,849	84	$5,547
Technical	3.5	$159	10.5	$477
Clerical	3.5	$74	10.5	$222
2. Prepare opt-in permit application				
Managerial	40	$2,642	120	$7,926
Technical	90	$4,090	270	$12,270
Clerical	10	$212	30	$636
3. Prepare thermal energy compliance plan[c]				
Managerial	15	$991	0	0
Technical	50	$2,272	0	0
Clerical	5	$106	0	0
4. Complete withdrawal notification[d]				
Managerial	2	$132	0	0
Technical	2	$91	0	0
Clerical	1	$21	0	0
Total			525	$27,078

[a] 1998 dollars.

[b] Assumes 3 opt-in sources submit permit applications in 1999.

[c] Assumes no sources file a thermal energy compliance plan.

[d] Assumes that sources that have made the investment to opt-in will not withdraw.

EXHIBIT 14
ANNUAL RESPONDENT BURDEN/COST ESTIMATES FOR OPT-IN ANNUAL COMPLIANCE CERTIFICATION

Tasks	Burden Hours Per Occurrence	Cost Per Occurrence[a]	Total Burden (Hours)	Total Cost
Review instructions, complete, and submit the following reports:				
1. Annual compliance certification report[b]				
Managerial	2.5	$165	32.5	$2,145
Technical	4	$182	52	$2,366
Clerical	.5	$11	6.5	$143
2. Opt-in Utilization form[b]				
Managerial	8	$528	104	$6,864
Technical	30	$1,363	390	$17,719
Clerical	2	$42	26	$546
3. Thermal energy compliance report (shutdown opt-in sources and replacement units)[c]				
Managerial	20	$1,321	80	$5,284
Technical	40	$1,818	160	$7,272
Clerical	5	$106	20	$424
4. Allowance deduction form (optional)[d]				
Managerial	2	$132	26	$1,716
Technical	4.5	$204	58.5	$2,652
Clerical	.5	$11	6.5	$143
5. Energy conservation/Improved unit efficiency confirmation report[e]				
Managerial	5	$330	0	0
Technical	24	$1,091	0	0
Clerical	1	$21	0	0
6. Excess emissions penalty payment[e]				
Managerial	4	$264	0	0
Technical	4	$182	0	0
Clerical	1	$21	0	0
TOTAL			962	$47,274

[a] 1998 dollars.
[b] Assumes 13 opt-in sources.
[c] Assumes 4 sources file reports.
[d] Assumes one allowance deduction form per source.

[e] EPA assumes no sources will claim savings from energy conservation or improved unit efficiency or have excess emissions.

EXHIBIT 15
ANNUAL AGENCY BURDEN/COSTS FOR THE OPT-IN PROGRAM

Task	Burden Hours per Occurrence	Cost per Occurrence[a]	Total Burden Hours		Total Costs	
			1999	2000-2001	1999	2000-2001
1. Review certificates of representation and record information[b]	1	$43	3	0	$129	0
2. Review permit application, issue proposed and final permit, and assign allowances[b]	80	$3,425	240	0	$10,275	0
3. Review and process annual compliance certification submissions[c]	2	$86	26	26	$1,118	$1,118
4. Deduct allowances and send reconciliation reports[c]	3	$128	39	39	$1,664	$1,664
Total			308	65	$13,186	$2,782

[a] 1998 dollars.
[b] Assumes 3 opt-in sources submit permit applications in 1999.
[c] Assumes 13 opt-in sources each year.

6.8 Annual Compliance Certification

6.8.1 Respondent Burden and Cost Estimates

A. Phase I Sources

Annual compliance certification is performed by all Phase I affected sources in the spring of 1999 and 2000. Each Phase I affected source, which includes any source with compensating or substitution units, is required to submit an annual compliance certification report for the source and a utilization accounting form for each Phase I affected unit at the source. Based on the first three years of the program, EPA estimates that 400 units at 175 sources will be affected in 1998 and 1999 (261 Table 1 units at 110 sources and 139 substitution and compensating units at 65 sources).

If any unit is underutilized or is covered by a reduced utilization plan claiming shifts to sulfur-free generators, then a dispatch system data report must be submitted for the dispatch system containing that

unit. EPA estimates that 25 dispatch systems will need to submit the dispatch system data report each year.

If a unit has a reduced utilization plan covering energy conservation or improved unit efficiency measures, it has the option of submitting an energy confirmation and improved unit efficiency confirmation report to verify the savings and offset the corresponding reduced utilization. EPA estimates that 2% of the 400 units will verify energy conservation or improved unit efficiency measures.

Affected units have the option of identifying specific serial numbered allowances to be deducted by EPA. EPA assumes that each unit will submit one optional allowance deduction form each year.

A sulfur-free generator that is claimed by more than one unit under reduced utilization plans will need to submit a sulfur-free generator apportionment form. EPA estimates that about 20 sulfur-free generators will need to submit this information.

Substitution and compensating units in a State with a "State-enforced emission cap" must submit additional information. This information is to be at the operating company level. EPA expects a total of eight operating companies located in four different States to submit this information.

Total respondent burden for annual compliance certification by Phase I affected sources is estimated to total 21,339 hours, for a total cost of $1,039,211. Exhibit 16 presents respondent burden and costs for annual compliance certification.

B. Phase II Sources

Beginning in the spring of 2001, annual compliance certification must be performed by all affected sources. Each affected source must submit an annual compliance certification report. In addition to the compliance certification report, affected units have the option of identifying specific serial numbered allowances to be deducted by EPA. EPA assumes that each unit will submit one optional allowance deduction form each year. EPA estimates that 2,300 units at 750 sources will be affected in Phase II.

Total respondent burden for annual compliance certification by Phase II affected sources is estimated to total 21,350 hours, for a total cost of $1,066,600. Exhibit 16 presents respondent burden and costs for annual compliance certification.

EXHIBIT 16
ANNUAL RESPONDENT BURDEN/COST ESTIMATES FOR ANNUAL COMPLIANCE CERTIFICATION DURING THE PERIOD 1999-2001

Tasks	Burden Hours Per Occurrence	Cost Per Occurrence[a]	Total Burden (Hours)		Total Cost	
			1999-2000	2001	1999-2000	2001
1. Annual compliance certification report[b]						
Managerial	2.5	$165	437.5	1875	$28,875	$123,750
Technical	4	$182	700	3000	$31,850	$136,500
Clerical	.5	$11	87.5	375	$1,925	$8,250
2. Utilization Accounting form[c]						
Managerial	8	$528	3,200	NA	$211,200	NA
Technical	30	$1,363	12,000		$545,200	
Clerical	2	$42	800		$16,800	
3. Dispatch system data report[d]						
Managerial	8	$528	200	NA	$13,200	NA
Technical	16	$727	400		$18,175	
Clerical	2	$42	50		$1,050	
4. Sulfur-free generator apportionment information[e]	3.5	$231	70	NA	$4,620	NA
Managerial	10	$454	200		$9,080	
Technical	.5	$11	10		$220	
Clerical						
5. Allowance deduction form (optional)[f]	2	$132	800	4,600	$52,800	$303,600
Managerial	4.5	$204	1,800	10,350	$81,600	$469,200
Technical	.5	$11	200	1,150	$4,400	$25,300
Clerical						
6. Energy conservation/Improved unit efficiency confirmation report[g]	5	$330	40	NA	$2,640	NA
Managerial	24	$1,091	192		$8,728	
Technical	1	$21	8		$168	
Clerical						
7. State enforceable cap information[h]	2	$132	16	NA	$1,056	NA
Managerial	15	$682	120		$5,456	
Technical	1	$21	8		$168	
Clerical						
8. Excess emissions penalty payment[i]	4	$264	0	0	$0	$0
Managerial	4	$182	0	0	$0	$0
Technical	1	$21	0	0	$0	$0
Clerical						
TOTAL			21,339	21,350	$1,039,211	$1,066,600

[a] 1998 dollars.

[b] Assumes 175 Phase I and 750 Phase II affected sources.
[c] Assumes 400 Phase I and 2,300 Phase II affected units.
[d] Assumes 25 dispatch systems must report.
[e] Assumes 20 sulfur-free generators must report information.
[f] Assumes one allowance deduction form per unit.
[g] Assumes 2% of Phase I affected units (8 units) claim savings from energy conservation or improved unit efficiency.
[h] Assumes 8 operating companies must report information.
[i] EPA assumes that no sources will have excess emissions.

6.8.2. Agency Burden and Cost Estimates

The three primary tasks performed by the Agency during annual compliance certification are; reviewing and processing the annual form submissions, calculating and deducting allowances, and sending out allowance deduction or reconciliation reports to the source designated representatives. Based on the estimated 400 Phase I and 2,300 Phase II affected units, EPA expects the annual Agency burden to total 600 hours, and cost $25,200 in 1999 and 2000, and 3,450 hours and $144,900 in 2001. Exhibit 17 presents the Agency's annual burden and cost for annual compliance certification.

EXHIBIT 17
ANNUAL AGENCY BURDEN/COSTS FOR ANNUAL COMPLIANCE CERTIFICATION FOR THE PERIOD (1999-2001)

Task	Burden Hours per Occurrence	Cost per Occurrence[a]	Total Burden Hours		Total Costs	
			1999-2000	2001	1999-2000	2001
1. Review and process annual compliance certification submissions[b]	.5	$21	200	1,150	$8,400	$48,300
2. Calculate and deduct allowances[b]	.5	$21	200	1,150	$8,400	$48,300
3. Send allowance reconciliation reports[b]	.5	$21	200	1,150	$8,400	$48,300
Total			600	3,450	$25,200	$144,900

[a] 1998 dollars.
[b] Assumes 400 Phase I and 2,300 Phase II affected units submit reports.

6.9 NO_x Permitting

This section estimates the paperwork burden and cost of revising Phase II NO_x averaging plans. This is the only respondent burden for NO_x permitting for the period covered by this ICR. Because Phase II

No_x permits were due January 1, 1998, most of the burden and costs were incurred under the previous ICR.

In order to estimate the number of expected submissions, EPA estimates that 10% of the roughly 40 averaging plans on file will be revised each year.

6.9.1 Estimate of Respondent Burden and Costs

Exhibit 18 presents the burden and costs to applicants for preparing and submitting a revised NO_x averaging plan.

For each emissions averaging plan, EPA estimates that the applicant will require about 10 hours: 50 percent managerial labor, 40 percent technical labor, and 10 percent clerical labor. The total respondent burden for NO_x permitting, as shown in Exhibit 18, is estimated to be 40 hours each year. The costs associated with NO_x permitting are estimated at $2,132 per year.

EXHIBIT 18
RESPONDENT BURDEN/COST ESTIMATES FOR NOx PERMITTING

Tasks	Burden Hours per occurrence	Cost per Occurrence[a]	Total Burden Hours	Total Cost
1. Prepare emissions averaging plan revision[b]				
Managerial	5	$330	20	$1,320
Technical	4	$182	16	$728
Clerical	1	$21	4	$84
Total			40	$2,132

[a] 1998 dollars.

[b] Assumes 4 respondents revise emissions averaging plans.

6.9.2. Estimate of Agency/Permitting Authority Burden and Costs for NO_x

Exhibit 19 presents the paperwork burden and costs to EPA or the permitting authority for NO_x permitting. The total annual burden and cost for revising NO_x averaging plans is estimated at 40 hours and $1,608, respectively.

The tasks involved in reviewing applications will include reviewing forms for completeness and revising the averaging plans.

EXHIBIT 19
AGENCY BURDEN/COST ESTIMATES
FOR NO_x PERMITTING

Tasks	Burden Hours Per Occurrence	Cost Per Occurrence[a]	Total Burden Hours	Total Cost
1. Revise NO_x averaging plans[b]	10	$428	40	$1,712

[a] 1998 dollars.

[b] Assumes 4 emissions averaging plan revisions are submitted each year.

6.10 Summary of Burden Hours and Costs

Exhibit 20 summarizes the aggregate burden and cost estimates to respondents from January 1999 through January 2002 for collections associated with allowance transfers, energy conservation and renewable energy allowances, permits, emissions reporting, auctions, small diesel refinery allowances, the opt-in program, annual compliance certifications, and NO_x permitting. Exhibit 21 summarizes the aggregate burden and cost estimates to EPA and permitting authorities for these collections.

6.11 Reasons for Change in Burden

This ICR renewal reflects a few differences from the previous ICR. This section discusses the changes in burden since the last clearance.

Overall, the estimated annual burden in 1996 from the last clearance was 2,839,120 hours. This ICR estimates the annual burden in 1999 will be 1,330,327 hours, which decreases the burden by 1,508,793 hours. The reasons for this burden decrease are explained below.

Some of the change in burden for this collection is due to adjustments. Adjustments stem from actions outside the Agency's control. It includes changes to the number of responses and the time it takes to respond to a particular activity. The adjustments and corresponding change in burden are as follows.

- The annual number of new allowance account applications decreased from 75 to 65 and allowance transfer submissions dropped from 2,125 to 1,500. This changed the annual burden hours for allowance transfer activities from 6,500 to 4,950.

- The annual number of conservation and renewable energy reserve applications dropped from 40 to 20 and the number of applicants using EPA's conservation verification protocol fell from 4 to 1. This change decreased the burden from 1,968 hours to 952 hours.

- Permitting activities were estimated to require 6,046 burden hours in 1996. The estimated annual burden hours for permitting under this ICR are 2,435. This burden change reflects some rule requirements that were not applicable before, including industrial unit exemptions are now covered by this collection, while other tasks, such as the submission of Phase I permit modifications, submission of repowering information, and defining dispatch systems, are no longer covered by this collection.

- The estimated number of auction bids received each year increased from 200 to 220. This slightly increased the burden for annual auctions from 300 hours to 330 hours.

- The estimated number of sources applying to opt-in to the Acid Rain Program was reduced from 9 to 3 and the burden for emission data reporting was shifted from the opt-in section to the emissions reporting section . This results in the estimated burden dropping from 37,097 hours in 1996 to 1,487 hours in 1999.

- The burden for reporting annual compliance certification information is estimated to decrease slightly from 22,439 hours to 21,339 due to fewer sulfur-free generator forms and fewer units claiming energy conservation savings.

- Because the previous collection covered the submission of all NO_x compliance plans, while this collection covers only revisions to NO_x averaging plans, the burden dropped from 30,786 hours to 40 hours.

- This ICR uses updated information to classify and categorize the types of units affected by Part 75 and what type of monitoring they have used to comply with Part 75. The number of sources has been increased from 727 to 728 and the number of units has been increased from 1600 to 1787 to reflect the current information in the Agency's data system used to track Part 75 monitoring information. Note, however, that the inclusion of the low mass emissions unit provisions generally

eliminate any increase in burdens or costs that would be expected to occur as a result of these increases in total affected sources and units.

Burdens and costs have been refined further by the division of respondents into different categories for purposes of estimating the burdens and costs associated with QA activities. The Agency developed seven models to better explain the distribution of various monitoring methods. See section 6.4, above, for a description of each model. Also, as discussed in Section 6.4, above, EPA has modified several assumptions about the labor burdens associated with various activities based on experience in implementing the program and input from various interested parties. In the first Acid Rain Program ICR (1992), the burdens and costs associated with these activities were not estimated. Under the 1995 ICR, EPA included an initial estimate of average burden for QA activities of over 1360 hours per year, per unit. At that time, the Agency had insufficient information to incorporate different estimates for different types of monitoring configurations and did not have detailed information from which to estimate total QA-related burdens and costs. Based on information from affected sources, external studies, and the ability of this ICR to distinguish between units using CEMS and units using alternative monitoring methodologies, this number has been reduced to an average of approximately 500 hours (see, e.g., Docket A-97-35, Item IV-A-5). The net result of the adjustments to the emissions monitoring burden is a decrease of approximately 1,385,000 hours from the previous ICR.

Other changes in the burden are due to rule changes. The rule revisions create substantial changes in many aspects of the baseline, although a large part of these changes are reflected in costs, not labor burdens. The rule revisions that create these changes are summarized in Table 6-1, above.

The most significant cost (but not burden) savings will come from the revisions to the flow monitor quality assurance provisions. Based on data provided by a group of utilities (see Docket A-97-35, Item II-D-48), the Agency estimates that replacing the annual three-level RATA with a two-level RATA for most units that use a flow CEMS, and a one-level RATA for the remaining units that use a flow CEMS, will create an overall cost savings of approximately $3,500,000 per year related to test contractor cost. In addition to savings related to test contractor costs, units will realize savings in that they will not need to perform RATAs at load levels inconsistent with typical operating levels. Based on data provided by the same group of utilities, those savings are estimated at a total of about $25,000,000 per year. Because units would be required to perform a three-load RATA at least once every five years, the net annual cost reduction (including both test contractor and operational cost savings) associated with these revisions is estimated to be slightly more than $29 million. These estimates are based on the expectation that 10% of the CEMS model units/stacks would be eligible for the reduction to the one-level RATA, and the other 90% would be eligible for the reduction to the two-level RATA four out of every five years.

Another set of revisions that are expected to create significant savings are the fuel flowmeter testing provisions. These changes include both changing the frequency of visual inspections from one to three years, and allowing owners or operators to use an optional fuel flow-to-load test in place of an annual

flowmeter accuracy test. Note that a flowmeter accuracy test would still be required every five years. The net effect of these changes would be to realize some reduced labor burdens, as well as significant cost savings (approximately $5-5.5 million) associated with meters that would otherwise be removed for annual calibration/accuracy testing off-site.

The fuel sampling revisions will allow oil-fired units to switch from daily sampling and analysis of fuel to either weekly composite analysis or sampling at the same frequency as fuel shipments are received (the conservative estimate used assumes weekly shipments). Based on fuel sampling and analysis costs provided by utilities, these revisions are estimated to reduce costs by over $3 million. In addition, the Agency also estimates that revisions to §§ 75.35 and 75.36 which would allow the use of a substitute data algorithm instead of sampling procedures in certain circumstances will have a cost savings of about $650,000 annually.

There are several other rule revisions that are expected to result in savings. First, test deadlines will be based on quarters with a minimum of 168 operating hours rather than on calendar quarters. This revision will assist those sources that have insignificant operating hours in certain calendar quarters. Based on operating hour information in the Agency's database, this revision will result in a total labor burden reduction of approximately 29,800 per year and cost savings of about $945,000 per year, for a total savings of about $2,360,000.

Based on a query of the Agency's database, the Agency estimates that 150 units are currently subject to the requirement that deferred units report their status as shutdown. The rule revision eliminating this requirement will reduce the labor burden per unit by 2 hours per year, for a total savings of about 300 hours, or $16,725.

The Agency estimates that exempting gas-fired units with SO_2 monitors from SO_2 RATAs will create an overall reduction in cost of $200,000, including an estimated reduction in labor hours of 500 per year and approximately $175,000 savings in contractor costs per year. This estimate is based on a query of the Agency’s database indicating that there are 20 units that will be able to take advantage of this provision.

Under the grace periods for RATA and linearity tests, EPA estimates that about 20 units per year will not need to incur costs to startup solely to perform linearity or RATA tests. The estimated savings per affected unit is $75,000, based on cost estimates from a group of utilities. The total savings per year is therefore estimated at $1,500,000.

Based on cost estimates provided by a group of utilities, the Agency believes that the rule revision eliminating the requirement to report causes and cures for missing data will result in a burden savings of about 45,000 hours, or $2,065,000 per year.

Finally, the Agency estimates that 176 units will qualify for the revisions allowing the use of assumed, rather than measured, values for units with low mass emissions. The Agency estimates that 28 sources will consist of only low mass emissions units. The estimated reduction in burden for reporting for each affected unit is 188 hours (divided between manager and technical hours). The total burden decrease for reporting is therefore approximately 33,090 hours per year, or $1,634,000. Low mass emissions units will also have decreased quality assurance costs. The annual anticipated burden decrease is about 29,750 hours and $1,350,000 in contractor costs. Because of the simplified reporting for these units, EPA also believes that these units will not incur burdens associated with responding to EPA generated error messages. This assumption further reduces the burden by 1,645 hours per year. Finally, because of the simplified reporting, sources that consist only of low mass emissions units will not incur burdens or costs associated with reprogramming and debugging DAHS software. This change will result in decreased labor burdens of approximately 1490 hours per year, and decreased annualized capital costs of approximately $63,750. The total estimated dollar savings for the rule change is therefore approximately $4,625,000 per year.

Among the rule revisions, there are a few provisions that EPA believes will lead to burden and cost increases. The most significant is the necessary reprogramming of the DAHS. The Agency believes that the costs to implement the rule revisions in the DAHS systems will consist of some in-house labor hours, but that the majority of the cost will be the capital cost for each source to purchase upgraded software. See the line item in Exhibit 7 for an estimate of the effect of this activity. EPA estimates that, on average, a source will incur about 24 hours of in-plant labor and $16,000 in other costs to reprogram the DAHS. The in-plant labor is a burden that will only occur in 1999, and totals about 17,500 hours, or $913,960. The capital costs of the DAHS purchase are estimated at $16,000, and were annualized over a ten year period, for a per year total cost of $1,658,384 for all sources.

The flow/load ratio test for flow CEMS will also lead to an increased burden, although these burdens are significantly more than offset by the reduced burdens and costs associated with the revisions to the flow RATA requirements. The reduced flow RATA requirements would not be promulgated without the new flow-to-load test. The Agency estimates a total cost of about $3,200,000 in 1999 to develop appropriate software for conducting the flow/load test. Beginning in 2000/2001, the estimated total burden for conducting the test, reviewing test results and performing extra RATAs due to test failure is estimated to be approximately 21,500 labor hours and $162,000 in contractor costs for all sources, for a total per year beginning of 2000 of about $1,226,600.

EPA estimates a total burden increase to implement the new moisture monitor QA provisions of about 4,300 hours per year, and operation and maintenance costs of $860,000 per year. Based on analyses of data reported by affected sources, EPA estimates that approximately 107 units/stacks would be affected by the addition of those new QA procedures. Note that this cost also will not be incurred until 2000, as this revision is not effective in 1999.

EPA has also refined the estimate in the previous ICR of time necessary to review new rule requirements. The previous Part 75 ICR assumed that there would be a per source burden of 6 managerial hours and 10 technician hours per year in the first year (1996) to review the instructions and requirements of the rule, while those hours decreased to 4 manager and 4 technical hours in the second and third years (1997 and 1998). Based on the scope of the Part 75 revisions, EPA believes that the burden for 1999, the first year the rules would be in effect, should be 24 manager hours and 24 technical hours per year. The burden after the first year would be reduced consistent with the burden estimates for this activity in years 1997 and 1998 under the existing ICR (4 manager and 4 technical hours per year per source for 2000/2001). The total increased burden due to the rule revisions is therefore approximately 23,300 hours (1999 only). The Agency also estimates a burden increase due to a greater demand for software debugging in the first year of implementing upgraded DAHS software. Based on the existing ICR, EPA estimates a total burden increase of about 61,800 hours in 1999. In 2000 and 2001, the burden is estimated consistent with the existing ICR (16 hours per source).

The Part 75 rule revisions would have the overall effect of significantly reducing the costs as well as burdens of the Acid Rain CEM Program. Without the Part 75 revisions, implementation costs would be estimated at $236,631,210, per year, for the 1999-2001 period. With the rule revisions, the annual average estimated costs are $192,483,642. For labor burden, the annual average without the rule revisions would be 1,303,901 hours; with the rule revisions, the estimated annual average is 1,225,633 hours, or a decrease of 78,268 hours..

6.12 Burden Statement

The respondent reporting burden for this collection of information is estimated to be 1,330,327 hours in 1999, 1,220,183 hours in 2000, and 1,220,156 hours in 2001. The burden to EPA is estimated to be 17,477 hours in 1999, 17,174 hours in 2000, and 19,986 hours in 2001. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, to the Director, Regulatory Information Division; U.S. Environmental Protection Agency (2137); 401 M Street, SW, Washington, D.C. 20460; and to the Office of information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, DC 20503, marked "Attention: Desk Officer for EPA." Include the OMB control number (2060-0258) in any correspondence.

EXHIBIT 21
AGGREGATE ANNUAL RESPONDENT BURDEN AND COST OF COLLECTIONS

Program	Total Burden (Hours)			Total Costs[a]		
	1999	2000	2001	1999	2000	2001
1. Allowance transfers	4,950	4,950	4,950	$260,685	$260,685	$260,685
2. Energy conservation and renewable energy allowances	952	492	492	$45,446	$23,486	$23,486
3. Permits	2,435	2,435	2,435	$141,320	$141,320	$141,320
4. Emissions reporting	1,298,756	1,189,072	1,189,072	$195,611,436	$190,919,746	$190,919,746
5. Auctions	330	330	330	$20,460	$20,460	$20,460
6. Small diesel refinery allowances	38	38	0	$1,691	$1,691	$0
7. Opt-in[b]	1,487	1,487	1,487	$74,352	$74,352	$74,352
8. Annual compliance certification	21,339	21,339	21,350	$1,039,211	$1,039,211	$1,066,600
9. NO_x permitting	40	40	40	$2,132	$2,132	$2,132
TOTAL	1,330,327	1,220,183	1,220,156	$197,196,733	$192,483,083	$192,508,781

[a] 1998 dollars.
[b] Includes permitting and annual compliance certification burdens for opt-in sources.

EXHIBIT 22
AGGREGATE ANNUAL AGENCY BURDEN AND COST OF COLLECTIONS

Program	Total Burden (Hours)			Total Costs[a]		
	1999	2000	2001	1999	2000	2001
1. Allowance transfers	1,500	1,500	1,500	$64,500	$64,500	$64,500
2. Energy conservation and renewable energy allowances	125	65	65	$5,354	$2,784	$2,784
3. Permits	410	410	410	$17,550	$17,550	$17,550
4. Emissions reporting	14,296	14,296	14,296	$612,012	$612,012	$612,012
5. Auctions	160	160	160	$6,850	$6,850	$6,850
6. Small diesel refinery allowances	38	38	0	$1,634	$1,634	$0
7. Opt-in	308	65	65	$13,186	$2,782	$2,782
8. Annual compliance certification	600	600	3,450	$25,200	$25,200	$144,900
9. NO_x permitting	40	40	40	$1,712	$1,712	$1,712
10. Operation & Maintenance of data systems[b]	NA	NA	NA	$150,000	$150,000	$150,000
TOTAL	17,477	17,174	19,986	$897,998	$885,024	$1,003,090

[a] 1998 dollars.

[b] Average annual operation and maintenance costs associated with running electronic data systems are assumed to be incurred by an EPA contractor. Therefore, EPA will not incur any labor burden for these activities.

Appendix A : Data Items Required to be Reported Electronically

Under the Recordkeeping and Reporting Sections of Part 75

This Appendix contains the Electronic Data Reporting (EDR) Formats indicating the data elements that must be recorded and reported electronically under the following sections of the rule:

- Monitoring Plan Requirements (§ 75.53)
- General Recordkeeping Requirements (§ 75.57)
- Recordkeeping For Special Situations (§ 75.58)
- Quality Assurance Recordkeeping (§ 75.59)
- Certification Application (§ 75.63)
- Quarterly Reports (§ 75.64)

Appendix B: Other Data Items Required Under the Recordkeeping and Reporting Sections of Part 75

In addition to the data collected electronically in the EDR, the following additional recordkeeping and/or reporting is required under Part 75. Items which must be recorded and kept on-site, rather than reported/submitted to the Agency, are marked with an asterisk.

Monitoring Plan Requirements (§ 75.53):

- Information, including identification of the test strategy; protocol for the relative accuracy test audit; other relevant test information; calibration gas levels for the calibration error test and linearity check; calculations for determining maximum potential concentration, maximum expected concentration, maximum potential flow rate, maximum potential NO_x emission rate, and span; and apportionment strategies
- Description of site locations for each monitoring component in the continuous emission or opacity monitoring systems
- A data flow diagram denoting the complete information handling path from output signals of continuous emission monitoring system components to final reports
- A schematic diagram identifying entire gas handling system from boiler to stack for all affected units
- Stack and duct engineering diagrams showing the dimensions and location of fans, turning vanes, air preheaters, monitor components, probes, reference method sampling ports, and other equipment that affects the monitoring system location, performance, or quality control checks

General Recordkeeping Requirements (§ 75.57):

- Causes of any missing data periods and the actions taken to cure such causes*

Recordkeeping For Special Situations (§ 75.58):

For units with add-on SO_2 or NO_x emission controls following the provisions of § 75.34(a)(1) or (a)(2):

- Parametric data which demonstrate the proper operation of the add-on emission controls*
- A flag indicating that the add-on emission controls are operating properly*

Quality Assurance Recordkeeping (§ 75.59):

For calibration error tests of continuous emission or flow monitoring systems:

- Certification from the cylinder gas vendor or CEMS vendor that calibration gas, as defined in the applicable sections of Part 75, was used to conduct calibration error testing*
- Description of any adjustments, corrective actions, or maintenance following test*

For daily interference checks of flow monitoring systems:

- Description of any adjustments, corrective actions, or maintenance following test*

For relative accuracy test audits:

- Description of any adjustments, corrective actions, or maintenance following test*
- The flow polynomial equation used to linearize the flow monitor and the numerical values of the polynomial coefficients of that equation*

Other required quality assurance test data items:

- Hardcopy quality assurance relative accuracy test reports, certification reports, or recertification reports for pollutant concentration or stack flow CEMS including test results, printouts, reference method data, equations, calibration gas certificates, laboratory calibrations, test protocols, diagrams, and names of personnel involved in the testing. For each relative accuracy test audit, supporting information sufficient to substantiate compliance with all applicable sections and appendices in this Part.* (not reported unless requested)
- An indication of which data have been excluded from the quarterly span and range evaluations of the SO_2 and NO_X monitors and the reasons for excluding the data*

Excepted monitoring systems for gas-fired and oil-fired units*:*

- Test results for each transmitter or transducer accuracy test for an orifice-, nozzle-, or venturi-type flowmeter* (note: test summary is reported electronically)
- For units with add-on SO_2 and NO_x emission controls following the provisions of § 75.34(a)(1) or (a)(2): a list of operating parameters for the add-on emission controls, and the range of each operating parameter in the list that indicates the add-on emission controls are properly operating

Notifications (§ 75.61):

The DR shall submit notification for the following events on an as-applicable basis:

- Initial certification tests, recertification tests, new unit/stack, new flue gas desulfurization system operation, unit shutdown/recommencement, use of backup fuels for Appendix E procedures, combustion of emergency fuels under Appendix D or E.

Certification Application (§ 75.63):

Each application for initial certification or recertification shall contain the following information, as applicable:

- Certification or recertification application form (EPA form 7610-14)
- The results of the test(s) required by § 75.20, including the type of test conducted, testing date, information required by § 75.56 or § 75.59, as applicable, and the results of any failed tests that affect data validation
- Any changed portions of the hardcopy monitoring plan information required under §§ 75.53(c) and (d), or §§ 75.53(e) and (f), as applicable
- Designated representative signature
- If the owner or operator is applying to use the optional low mass emissions excepted methodology in § 75.19(c) in lieu of a certified monitoring system, a statement that the unit burns only natural gas or fuel oil and a list of the fuels that are burned or a statement that the unit is projected to burn only natural gas or fuel oil and a list of the fuels that are projected to be burned; a statement that the unit meets the applicability requirements in §§ 75.19(a) and (b); and any unit historical actual and projected emissions data and calculated emissions data demonstrating that the affected unit qualifies as a low mass emissions unit under §§ 75.19(a) and (b)

Quarterly Reports (§ 75.64):

- Compliance certification (in hardcopy or optionally in electronic format)

Opacity Reports (§ 75.65):

- Excess emission of opacity (reported to applicable State or local air pollution control agency)

Quality Assurance/Quality Control Program (Section 1 of Appendix B to Part 75)

- Written QA/QC plan that describes in detail (or that refers to separate documents containing) complete, step-by-step procedures and operations For preventative maintenance, quality assurance testing, fuel sampling and sample retention*
- Maintenance records of all testing, maintenance, and repair activities, including: date, time, and description of any testing, adjustment, repair, replacement, or preventive maintenance action*

Appendix C: Acid Rain Program Forms and Instructions